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## Directorate of Distance Education

**B.A. [Public Administration]**

**IV - Semester**

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# ORGANIZATIONAL BEHAVIOUR

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# SYLLABI-BOOK MAPPING TABLE

## Organizational Behaviour

# CONTENTS

# INTRODUCTION

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Organizational Behaviour is related to the behaviour of individuals or groups of people working together in teams. The study becomes more challenging when situational factors interact. The study of organizational behaviour relates to the expected behaviour of an individual in the organization and application of managerial skills and knowledge to people in the organization to investigate individual and group behaviour.

Organizations have realized that their success depends not so much on the effectiveness of their systems and processes, as on the effectiveness of their human resources. The success or failure of organizations is determined to a great extent by their employees. Employees exhibit many forms of behaviour, which have a significant impact on the performance and growth of organizations.

Organizational behaviour provides insights into the basics of employee behaviour in organizations. It discusses various aspects of individual behaviour, such as personality, perception and motivation and also examines the behaviour of people working in groups and teams. Various philosophers and thinkers have put across their own unique theories of needs explaining the effect of motivation and its importance for helping individuals achieve their goals which are in synchronization with the goals of the organization. Organizational behaviour highlights the various decision-making processes and leadership skills for the successful functioning of groups. It is a term related to the study of individual and group dynamics in an organizational setting as well as the effect of power on organizational change and development.

This book, *Organizational Behaviour*, is written with the distance learning student in mind. It is presented in a user-friendly format using a clear, lucid language. Each unit contains an Introduction and a list of Objectives to prepare the student for what to expect in the text. At the end of each unit are a Summary and a list of Key Words, to aid in recollection of concepts learnt. All units contain Self-Assessment Questions and Exercises, and strategically placed Check Your Progress questions so the student can keep track of what has been discussed.

# BLOCK - I
# AN INTRODUCTION TO ORGANISATIONAL BEHAVIOUR

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# UNIT 1 OVERVIEW OF ORGANIZATIONAL BEHAVIOUR

**Structure**



## 1.0 INTRODUCTION

The study of Organizational Behaviour (OB) is interesting as well as challenging. It relates to individuals and group of individuals working together in teams. The study becomes all the more interesting with the influence of situational factors around the individuals. We all are aware that no two individuals are similar; hence, it depends on the acumen of the manager to analyse the behaviour of the individual and delegate the work to him accordingly. Organizational behaviour endeavours to gather information with reference to a topic in a scientific manner under controlled conditions.

## 1.1 OBJECTIVES

After going through this unit, you will be able to:

- Discuss the meaning and definition of organizational behaviour
- Describe the objectives and benefit of organizational behaviour
- Explain the importance of organizational behaviour

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## 1.2 CHARACTERISTICS OF HUMAN BEHAVIOUR

Human behaviour, a complex phenomenon as it is, is most difficult to define in absolute terms. It is primarily a combination of responses to external and internal stimuli. These responses would reflect psychological structure of the person and may be a result of a combination of biological and psychological processes. It is a system by which a human being senses external events and influences, interprets them, responds to them in an appropriate manner and learns from the result of these responses.

Psychologist Kurt Levin has conducted considerable research into the human behaviour and its causes. He believes that people are influenced by a number of diversified factors, both genetic and environmental, and the influence of these factors determines the pattern of behaviour. He called his conception of these influences 'the field theory' and suggested this formula:

$$B = F (P, E)$$

in which behaviour (B) is a function (F) of a person (P) and environment (E) around him. It is important to recognize the effect of the 'person' and that of the environment individually as well as their interaction and dependence upon each other in order to understand the pattern of behaviour. These two factors are highly linked with each other. Any one of these two factors individually cannot fully explain the behaviour characteristics. An individual's behaviour may change due to a change in the same environment or exposure to a different environment. For example, a person who loses a well-paying job may behave differently when he is unemployed. Similarly, just the environment in itself cannot be the cause of or explain a given behaviour. Different people behave differently in the same or similar environment. However, when the situation demands, the environment may change the behaviour of an individual. For example, certain training programmes or rehabilitation programmes have changed the human attitudes and behaviour. Sometimes a sudden and unexpected turn of events or a shock can also induce significant and permanent changes in the human behaviour. For example, there are a number of stories in the Indian religious scriptures where a known killer or a dacoit came to a temple and his whole personality and outlook changed. Thus, the environment can change the individual in his or her behaviour. Similarly, the individuals can also change the environment by setting goals and standards and by determination and motivation.

## 1.3 MEANING AND NATURE OF ORGANIZATIONAL BEHAVIOUR

Organizational behaviour (OB) has been defined as the knowledge of people's behaviour at work. It is a meaningful solution to complex human problems. "Organizational Behaviour is the study and application of knowledge about how

people act within an organization. It is a human tool for human benefit. It applies broadly to the behaviour of people in all types of organization." The behaviour of people at work depends on numerous factors such as technology, structure, group, social setup and so on. The organizational structure has a significant place in shaping the behaviour of people. Technology helps in the performance of the job in a successful and systematic manner. Fred Luthans has rightly emphasised on behaviour. "Organizational behaviour is directly concerned with the understanding, prediction and control of human behaviour in organizations." It is the study of the behaviour of people to improve the efficiency of the organization. The understanding and analysis of the behaviour of people helps in motivation for achieving the organizational goal. The study of behaviour is essential because of the different nature of people. Besides individual differences, people are whole persons and total human beings. Behaviour is changed as a result of motivation. Human dignity and ethics are observed in their behaviour. An organization's internal environment, social environment, individual perception and learning, group affiliations and technological development are instrumental in shaping behaviour. Behaviour is required to be modified and developed to achieve the organizational goal.

"Organizational behaviour is concerned with the study of the behaviour, attitudes and performance of workers in an organizational setting, the organization's and informal group's effect on the worker's perceptions, feelings and actions, the environment's effect on the organization and its human resources and goals, and the effect of the workers on the organization and its effectiveness." This definition lays emphasis on individual attributes, the group's effects, organizational structure and environment for shaping the people at work. These factors are interdependent and interrelated. Organizational behaviour is considered to be a branch of science wherein human behaviour is studied, researched, concluded and channelized for organizational effectiveness. Not only individual behaviour but the role of the group and organizational structure are also studied. The interrelated and influencing environment is appraised for deciding the typical behaviour of people at work and their impact on the organization's effectiveness and goal accomplishment. Behavioural science studies the variables associated with the behaviour of people and their performance. Stephen P. Robbins has said, "Organizational behaviour (frequently abbreviated as OB) is a field of study that investigates the impact, that individuals, groups and structure have on behaviour within the organizations for the purpose of applying such knowledge toward improving an organization's effectiveness." Organizational behaviour has become a field of study to understand the behaviour of individuals, groups and structure. The purpose of the study is to modify and mould their behaviour for increasing the effectiveness and efficiency of the organization. It is a systematic study of behaviour to improve the performance of the people and the organization. Many important activities of the people's development are included under organizational behaviour. Motivation, learning, personality development, conflict resolution, stress management and interpersonal communication are thoroughly discussed under this discipline. Behaviour depends

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on how people listen, observe, sense, ask and interact. Behaviour is a dynamic process depending on the experiences of individuals and the experiences of others related with the individuals.

Human behaviour is developed not in a vacuum but is shaped every time by the behaviour of others and environmental factors. The behaviour of a worker depends on the behaviour of his boss. If the supervisor is friendlier, trusting, informal, approachable and competent, the productivity of workers will increase and they will undertake more challenging jobs. The systematic evaluation of the factors influencing the behaviour of employees provides the basis for the effective performance of their jobs. Behaviour is caused and directed towards some specific goals. Behaviour is predictable by understanding people and situations. Different behaviour is perceived in different situations. This is the reason that different behaviour is exercised by different people. Beneath these differences, there are some common behaviour traits which may ordinarily be exercised by people. Therefore, it is possible to predict behaviour. The systematic study of behaviour may help to predict behaviour accurately. The cause and effect analysis, quantification of two variables of behaviour and experimental research provides important information about behaviour and its influencing factors. The common-sense observation of behaviour may or may not be correct as revealed by rigorous analysis and scientific research.

Organizational behaviour is generally confused with organizational theory, organizational psychology and human resources management. Organizational theory is the study of structure, the system, sequences and the process of organization. Organization behaviour, while studying all these subjects, delves into the behaviour of individuals and groups. Organizational theory is based on macro study, whereas organizational behaviour is a micro study of people's behaviour. Organizational psychology restricts its activities to psychological factors. Organizational behaviour considers and combines all the branches of study, e.g. science, technology, psychology, terminology, anthropology and other behavioural subjects. Organizational behaviour has become the basis of human resources management and development. The former is concept-oriented, whereas the latter is concerned with the technology of human development. The variables influencing human development are scientifically studied under organizational behaviour. Human resources development is successful with the use of the knowledge of organizational behaviour. There is a need for study of performance-oriented dependent variables, the search for cause and effect for human resources development which is possible through the use of concepts of organizational behaviour which helps personal growth, self-actualisation, modification and organizational development. Human relations, human activities and human resources management are activated, directed and channelized by the application of the knowledge of organizational behaviour which has become a field of study, research and application for the development of human resources and the organization as a whole.

**Check Your Progress**

1. What is human behaviour primarily a combination of?
2. Why is the study of behaviour essential?

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## 1.4 BASIC OBJECTIVES

Organizational behaviour has four important roles or objectives in any organization—the human resources approach, the contingency approach, the system approach and the productivity approach.

### Human Resources Approach

Organizational behaviour is mainly interested in the development of its human resources. The employees' growth and development in an organization are basic requirements for its continuous growth and survival. The success of any organization depends on the competency and creativity of its employees because they are the central points of every function of management. Traditionally, managers were important for deciding on task performances and carrying them out successfully under their directions. Employees cannot be treated merely as order followers; they are supportive and should be made more responsible. An organization has to develop a suitable climate wherein employees can improve their behaviour with job satisfaction for achieving organizational goals with efficiency and economy. Developed employees improve their performance effectiveness. Satisfied employees utilise their fullest capacities for task performance. Developed employees contribute to the development of the organization with much zeal and spirit and without creating conflicts and facing stress. If monetary incentives are given, it encourages working only as long as monetary benefits are given. However, if employees are developed, their capacities become increased for better work performances throughout life. The role of the manager has changed from that of a controlled approach to a supportive approach to employees.

### Contingency Approach

Behavioural science is being used for solving problems which may arise at any time. Behavioural knowledge is being applied to solve these problems. One or few accepted principles cannot solve all the problems. Employees are therefore trained to face any sort of problems. They should have the capacity to meet the challenges of the environment. Employee-oriented leadership is better suited for solving problems than task-oriented leadership. When situations are much more complex, employees are to be developed to handle situations with the use of their capacities and capabilities rather than with the use of abstract principles. Different situations require different functions and behavioural approaches. It is known as

the contingency approach because it believes that there is no such thing as the best way to handle the problem. Solutions as per situations are more effective and useful. This approach encourages analysis of each situation before and after incurring the problem. The contingency approach is an interdisciplinary and system-oriented approach of management. There is no perfect style of management. On some occasions, the participative approach may be useful, while in some situations, autocratic decisions will be more useful. The effectiveness of task performance is contingent upon the situation, and organizational behaviour deals with these contingents to arrive at an appropriate decision in a particular situation.

**System Approach**

The system approach includes several subsystems which exist in an organization, and therefore affect each other. Managers have to look beyond immediate situations to foresee future situations. There is a need for a systematic and fruitful framework involving general relationships. The purpose is to improve organizational behaviour for effective management. A system is developed where people work in a congenial atmosphere. The theories of organizational behaviour are applied to the system for achieving organizational goals. Better organizational behaviour provides greater success of the system approach. Developed employees perform all the subsystems in an effective manner. The organization and society are benefitted by organizational behaviour. Better people have better organizational relationships wherein the objectives of individuals, organization and society are served. The General System Theory (GST) has been developed for the success of the system approach.

**Productivity Approach**

The ultimate objective of organizational behaviour is to increase productivity. With the given inputs, if production is improved, it is a symbol of productivity improvement. In other words, productivity is the production volume per unit of input. It is measured in terms of economic inputs and outputs. Better organizational behaviour increases the output in relation to inputs. The human behaviour is developed for performing jobs in an effective manner. If people's knowledge and skills are developed, their abilities to perform tasks also increase. If proper motivation is provided, people work to the best of their abilities. Motivation depends on the situations and attitude of the employees. Ability and motivation determine the people's potential performance. If the human performance is supported with adequate resources, organizational productivity is increased. Organizational behaviour influences people's knowledge, skill, attitude, ability and performance potential.

## 1.5 ELEMENTS OF ORGANIZATIONAL BEHAVIOUR

The definition given in the above section has three facets—the individual behaviour, the organization and the interface between the two. Each individual brings to an

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organization a unique set of beliefs, values, attitudes and other personal characteristics and these characteristics of all individuals must interact with each other in order to create an organizational setting. The organizational behaviour is specifically concerned with work-related behaviour that takes place in organizations. Organizational behaviour is a synthesis of many other fields of study and is built upon contributions from a number of behavioural disciplines. The predominant area of psychology is concerned with the study of individual behaviour. Other behavioural disciplines affect the group dynamics and the organizational system.

***Psychology:*** Psychology is a science that seeks to study, understand, measure, explain and possibly change the behaviour of humans. Relative to organizational environment, it assists in understanding motivation at work, individual and interpersonal perceptions, functioning of personality, effects of training, leadership effectiveness, job satisfaction and attitude measurement. It also studies such behaviour patterns as fatigue, boredom and monotony that impede efficient work performance. It also studies methodologies for behaviour modification, so as to facilitate repetition of desirable behaviours.

***Sociology:*** Sociology, as a science, has a major impact on the field of organizational behaviour. It involves the study of social systems in which individuals exercise their social roles in relation to their fellow human beings, be it within the family or within the organization. Some of the organizational processes considered are group dynamics, organizational structure, bureaucracy, power and conflict.

***Social psychology:*** While psychology deals with individual behaviour, and sociology deals with group behaviour, the social psychology examines interpersonal behaviour. The social psychologists are concerned with inter-group collaboration, group decision making and integration of individual needs with group activities. Another area under investigation by social scientists is the effect of change on individuals and how people adjust to change both in individual and group context.

***Industrial psychology:*** Industrial psychology helps to understand the individual reactions to industrial environment. It involves selection and placement of individuals into particular jobs through psychological tests, study of mental health as affected by physical industrial environment, impact of organizational structure on human performance and the types of jobs affecting safety and morale of workers.

***Anthropology:*** Anthropology primarily studies the cultural impact on individual behaviour. It is our cultural heritage that builds our value system and our sense of right and wrong that in turn affects our norms of acceptable behaviour. The differences in behaviour under the same set of circumstances can be traced to cultural upbringing and the values learned in the cultural environment. Thus, the behaviour to some degree, can be predicted on the basis of cultural generalities.

***Political science:*** Political Science, even though considered as the study of political systems, has many ingredients that directly affect human behaviour in organizations since politics dominates every organization to some degree. Many themes of interest directly related to organizational behaviours are political

manipulation, allocation of power, conflict and conflict resolution, coalition for power and self-interest enhancement.

***Economics:*** Economics aids in the understanding of economic conditions at a given time, economic policies of the government, allocation of scarce resources to different competing alternatives, and all these factors affect the organizational climate. Organizational behaviour has learned a great deal from such economic factors as labour market dynamics, cost-benefit analysis, marginal utility analysis, human resource planning and forecasting and decision making.

***Engineering:*** Engineering, especially the industrial engineering branch, has contributed significantly in the areas of time and motion study, work measurement, work flow analysis, job design and wage and salary administration. Each of these areas has some impact on organizational behaviour.

***Medicine:*** It is perhaps the newest field affecting organizational behaviour. The primary area of interest is work related stress, tension and depression. The study of causes and consequences of stress and use of medicinal drugs to reduce stress is fast becoming an area of study within the organizational setting.

***Semantics:*** Semantics, one of the more recent disciplines, helps in the study of communications within the organization. Misunderstood and misdirected communication or simply lack of communication creates many behavioural problems. Accordingly, total, right and properly understood communication is very important in effective and efficient performance as per directives.

### 1.5.1 Importance of Organizational Behaviour

A study of organizational behaviour is beneficial in several ways. In the first place, OB provides a road map to our lives in organizations. Every one of us has an inherent need to know about the world in which we live. This is particularly true in organizations, as they have a profound effect on our actions and behaviours.

Second, the field of OB uses scientific research to help us understand and predict organizational life. This is not to say that this knowledge is absolute. The decisions and actions that people in organizations make are determined by a complex combination of factors. Besides, the field of OB is not a pure science.

Third, OB helps us influence organizational events. Though it is good to understand and predict organizational events, most of us want to influence the environment in which we live.

Fourth, OB helps an individual understand himself/herself and others better. This helps improve interpersonal relations considerably. Of particular significance are topics like attitude, perception, leadership, communication, and conflict, an understanding of which will change the very style of talking and functioning of an individual.

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Fifth, the field of OB is useful for maintaining cordial industrial relations. If an employee is slow in his or her work, or if his or her productivity is steadily declining, it is not always because of denial of promotion or a poor work environment. The relations between management and employees are often strained for reasons which are personnel issues, not technical.

Finally, in the last couple of years, the Indian economy has been witnessing an upward trend; every sector in the economy doing pretty well, registering an overall growth rate of seven per cent per annum. In order to sustain this trend, effective management of all sectors of the economy, particularly the industrial sector, is of paramount importance. This is where OB comes into the picture. It is a discipline which enables a manager to motivate his or her subordinates towards higher productivity and better results.

**Check Your Progress**

3. What does the success of any organization depend on?
4. What is psychology?
5. What does industrial psychology involve?

## 1.6 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Human behaviour is primarily a combination of responses to external and internal stimuli.
2. The study of behaviour is essential because of the different nature of people. Besides individual differences, people are whole persons and total human beings.
3. The success of any organization depends on the competency and creativity of its employees because they are the central points of every function of management.
4. Psychology is a science that seeks to study, understand, measure, explain and possibly change the behaviour of humans.
5. Industrial psychology involves selection and placement of individuals into particular jobs through psychological tests, study of mental health as affected by physical industrial environment, impact of organizational structure on human performance and the types of jobs affecting safety and morale of workers.

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## 1.7 SUMMARY

- Human behaviour, a complex phenomenon as it is, is most difficult to define in absolute terms. It is primarily a combination of responses to external and internal stimuli.
- People are influenced by a number of diversified factors, both genetic and environmental, and the influence of these factors determines the pattern of behaviour.
- Organizational behaviour has been defined as the knowledge of people's behaviour at work. It is a meaningful solution to complex human problems.
- Human behaviour is developed not in a vacuum but is shaped every time by the behaviour of others and environmental factors.
- Organizational theory is the study of structure, the system, sequences and the process of organization. Organization behaviour, while studying all these subjects, delves into the behaviour of individuals and groups.
- Organizational behaviour has four important roles or objectives in any organization—the human resources approach, the contingency approach, the system approach and the productivity approach.
- The ultimate objective of organizational behaviour is to increase productivity. With the given inputs, if production is improved, it is a symbol of productivity improvement.
- Organizational behaviour is a synthesis of many other fields of study and is built upon contributions from a number of behavioural disciplines.
- The predominant area of psychology is concerned with the study of individual behaviour.
- A study of OB is beneficial in several ways. In the first place, OB provides a road map to our lives in organizations. OB helps influence organizational events, is useful for maintaining cordial industrial relations and helps managers and employees in many ways.

## 1.8 KEY WORDS

- **Semantics:** It is the linguistic and philosophical study of meaning, in language, programming languages, formal logics, and semiotics.
- **Human Behaviour:** It refers to the full range of physical and emotional behaviours that humans engage in; biologically, socially, intellectually, etc. and are influenced by culture, attitudes, emotions, values, ethics, authority, rapport, persuasion, coercion and/or genetics.
- **Social Psychology:** It is the branch of psychology that deals with social interactions, including their origins and their effects on the individual.

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## 1.9 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. What is human behaviour? What are its causes?
2. Define organizational behaviour.
3. What is the systems approach to organizational behaviour?

**Long-Answer Questions**

1. Examine the various roles of organizational behaviour.
2. Explain the interrelationship between various behavioural fields of study and organizational behaviour.
3. Describe how the study of organizational behaviour is beneficial.

## 1.10 FURTHER READINGS

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# UNIT 2 FOUNDATIONS OF INDIVIDUAL BEHAVIOUR

**Structure**



## 2.0 INTRODUCTION

In the previous unit, you were introduced to basic concepts of organizational behaviour. In this unit, we will discuss foundational concepts of individual behaviour. You learnt in unit 1 that human behaviour is a mix of responses to external and internal stimuli. It is the way a person reacts in different situations and the way someone expresses different emotions like anger, happiness, love, etc. In this unit, the discussion on individual behaviour will continue. We will examine the factors that influence individual behaviour, with a look at personal and environmental factors that shape individual behaviour.

## 2.1 OBJECTIVES

After going through this unit, you will be able to:

- Discuss the causes and categories of individual behaviour
- Explain the environmental factors of individual behaviour

## 2.2 FACTORS INFLUENCING INDIVIDUAL BEHAVIOUR: POSITIVE AND NEGATIVE INDIVIDUAL BEHAVIOUR AND PERSONAL FACTORS

It has been established that certain characteristics of behaviour are genetic in nature, and a human being inherits a certain degree of similarity to other individuals, as well as uniqueness in the form of genes and chromosomes. Some of the

characteristics such as physical traits including physical height, slimness, dexterity, intellectual capacity and the ability to learn and logicalize are all inherited and have a wide impact on behavioural patterns.

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According to R.S. Dwivedi, the structures of the nervous system play a significant part in the emerging pattern of behaviour thus bringing about the integration of human behaviour and personality. Some psychologists believe that some aspects of human behaviour can be explained in terms of neural activity and neuro-physiological processes. Dwivedi further explains:

'Integration of human behaviour takes place because of the constant functioning of receptors, effectors and connectors. Here the nervous system is primarily involved in the connecting process. The numerous receptor cells attached to the individual's sense organs tend to convert physical and chemical events from the environment into neural events while the several effector cells attached to the muscles and glands convert these neural events into responses.'

These responses result in behavioural activity ranging from simple reflex action to the complex creative activity.

Behaviour is sometimes easily explained by laymen as a reflection of the state of the nervous system. This causal relationship is referred to continuously during our daily routine impressions and conversations. For example, when somebody loses patience quickly, we tend to brand him as 'stupid', and the behaviour is explained by a lack of intelligence where intelligence reflects a state of neural system. Similarly, a person whose behaviour is depressive is considered to be having a 'nervous breakdown'. In other words, it is implied that a man exhibits a certain type of behaviour because he was 'born that way', again pointing to genetic structure.

### Causes of Human Behaviour

As discussed earlier, both scientific thinkers as well as behaviourists have always been interested in finding out the causes for a given human behaviour. Science has always been involved in explaining a phenomenon by looking at its causes and then establishing a relationship between a cause and its effect. For example, the cause of formation of water is mixing of two parts of hydrogen and one part of oxygen in a given manner. Accordingly, the effect of water can be explained by its cause. This relationship is scientific and every time, the same cause will produce the same effect. Similarly, the behaviour scientists want to find out the causes for why people behave in a certain way. If these causes can be established, then certain types of behaviour can be predicted, manipulated and controlled.

The assumption that the study of any subject begins in the realm of superstition has some validity. For example, the scientific field of astronomy started as astrology. Similarly, the study and prediction of behaviour has its roots in superstitious beliefs in supernatural phenomenon. Even though such beliefs are not supported by science, they are still socially prevalent. Any conspicuous event that coincides with

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some part of general human behaviour is likely to be seized upon as a cause. Many such beliefs have been extensively discussed by B.F. Skinner. He cites as an example, the belief of many people that the position of various planets at the exact time of the birth of the individual determines many aspects of his behaviour, such as whether he is temperamental, impulsive, trustworthy, and so on. Millions of people who read the daily horoscope would testify to this belief, even though these horoscopes describe only general characteristics and general predictions that could be interpreted to be applicable to any person, irrespective of when he was born. The 'science' of astrology is taken very seriously in most underdeveloped countries and even in the technologically and scientifically advanced countries, astrologers are seriously consulted. In India, for example, many business meetings are arranged on the advice of astrologers. Former Prime Minister of India, Indira Gandhi and Ronald Reagan, Former President of America have been known to have arranged important political conferences in consultation with astrologers. The position of planets at birth, as a cause, is not considered as predicting specific actions or unique aspects of behaviour of an individual, but only general characteristics such as whether the person is impulsive or thoughtful, even though some of these general characteristics may be explained as being responsible for some specific action of the individual. For example, a quick but wrong decision can be attributed to 'impulsiveness', that is identified by astrology. It is strange that there is a lack of serious questioning to its validity, even though the process proposes that all mankind can be divided into 12 monthly categories as far as their behaviour pattern is concerned.

Then there are numerologists who propose another cause of behaviour. This has to do with a person's name. They believe and propose that the choice of a person's name is not a coincidence but a predetermined and predestined phenomenon that is associated with the person's behaviour. Based upon this philosophy, certain patterns of behaviour are identified and predicted by the number and types of letters in a person's name. Each letter of the alphabet has been assigned a number. Thus, the letters of the name are replaced by their respective numbers. These numbers are then manipulated and an end result of a single number is obtained. This last number can be used to find some behavioural characteristics associated with this number, as explained by numerologists.

Common practice is to explain behaviour in terms of certain physical characteristics of a person, the most important of these characteristics being the lines on the palm. Palmistry or palm reading is often explained as a science and has been made popular by Cherio and Saint Germain, who practised the 'art' of palmistry and wrote extensively about it. The four major lines on the palm of the hand are the Life line, the Heart line, the Brain line or the line of education and intelligence and the Fate line. These major lines are supported by scores of smaller lines, crosses, stars, islands and branches. There are special lines about number of marriages and children and all these lines are supposed to predict not only how long the person will live or whether he will be rich or poor but also such behavioural traits such as intelligence, patience, restlessness, trust worthiness, and so on.

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Another common practice is to explain behaviour in terms of the physical structure of the individual. It is sometimes said that the eyes betray the character of the person. Similarly, certain ideas can be formed about behaviour on the basis of whether the person is fat or tall or slim. Whether there is a correlation between body structure and behaviour has not been scientifically demonstrated. Even if there is such a correlation between the two, it is not always clear which is the independent variable and which is the dependent variable. For example, we cannot be sure whether fat people are jolly because, being at a disadvantage, they develop jolly nature as a competitive edge or whether jolly people are fat because they are free of emotional disturbances and enjoy their life by eating, drinking and not caring too much about their physique.

The theory of 'born' leaders suggests that some people behave in a certain manner, because they were born that way. The belief is based upon the assumption that certain behavioural characteristics are genetic in nature and are inherited. If we know that a person has certain inherited qualities and limitations, then we may be able to use our control techniques more intelligently.

### Categories of Human Behaviour

There are two categories in which the causes of human behaviour can be classified. These are: (1) inherited characteristics and (2) learned characteristics. Let us explain each of these two in more detail.

#### Inherited characteristics

Some of the inherited characteristics that may or may not be changed by external forces and may or may not be important determinants of performance are as follows:

***Physical characteristics:*** Some of these characteristics relate to physical height, slim body, vision, dexterity and stamina and have some bearing on performance. Manual dexterity, for example, results in quality performance in such jobs that require artistic manoeuvring. Similarly, tall and slim people are expected to dress well and behave in a sophisticated manner, and fat people are assumed to have a jovial nature.

***Intelligence:*** Intelligence is primarily an inherited trait, even though children of some very intelligent parents have turned out to be less intelligent and vice versa. It is also known that intelligence can be enhanced by proper environment or by proper motivation. Einstein was not considered very intelligent during his earlier years. In any case, intelligence as a trait is related to certain behaviour. Intelligent people are easy to convince if the point is right and they can be expected to be much more stable and predictable.

***Sex:*** Being a male or a female is genetic in nature and can be considered as an inherited characteristic. However, it is highly debatable whether being a male or a female in itself is indicative of any behavioural patterns. Man is expected to be tough while a woman is expected to be gentle. Men 'never cry' and women are

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'highly emotional', are some of the stereotyped assumptions that have no basis in genetic influences. These behaviour are developed, if at all, due to differences in treatment that boys and girls receive in the family environment.

Even though some work roles are assumed to be the exclusive domain of women, such as nurses or airline stewardesses, these roles are being modified to accommodate men in these positions. As far as the administration of the management process is concerned, women in general do not differ from men in their operative behaviour.

***Age:*** Since age is determined by the date of birth, it is a kind of inherited characteristic. Age may affect the behaviour in physiological as well as psychological ways. Psychologically, young people are expected to be more energetic, innovative, risk taking and adventurous, while old people are supposed to be conservative and set in their ways. Physiologically, with age, older people experience waning of some of their faculties such as memory, stamina, coordination, and so on, and hence the related behaviours change as well. According to Lehman, the peak of creative ability is among people between the ages of 30 and 40.

***Religion:*** Religion and cultures based on it play an important role in determining some aspects of individual behaviour, especially those that concern morals, ethics and a code of conduct. Highly religious people have high moral standards and usually do not tell lies or talk ill of others. They are highly contented and thus strive for achievement and self-fulfilment. Additionally, religion and culture also determine attitudes towards work and towards financial incentives.

**Learned characteristics**

Some of the behavioural characteristics that account for enormous diversity in human behaviour are a product of our exposure to various situations and stimuli, both within the family and the outside environment. These characteristics are acquired by learning where learning is defined as a 'relatively permanent change in behaviour resulting from interactions with the environment.'

These characteristics involve an individual's attitudes, values and perceptions about the environment around him. They are the result of parental values and expectations and the values and norms of our culture and sub-cultures. Children learn the need and values of being honest and truthful and the value of love and affection from the family environment. If the parents are always fighting, if the father is always drunk or if the mother resents the child, it is most likely that the child will grow up lacking the warmth of love and respect. Similarly, a loving family instils certain positive values about life in the minds of the children.

The physical environment itself has a profound effect on the individual behaviour. Persons who have come through the rigorous routine of the armed forces or students who have been active sportsmen may have learned the spirit of competition as well as cooperation. Similarly, students who have studied in religious schools and convents may have learned different values about truth and human decency.

Since inherited behavioural characteristics are more difficult to change or modify, it is the learned characteristics that the managers want to study, predict and control. Hence these will be discussed in more detail in the following units, but a brief familiarity with this factor is necessary here. Some of these learned characteristics are as follows:

***Perception:*** Perception is the process by which information enters our minds and is interpreted in order to give some sensible meaning to the world around us. It is the result of a complex interaction of various senses such as feeling, seeing, hearing, etc. Sayings and proverbs like 'things are not what they seem' or 'all that glitters is not gold', reflect a sense of perception. 'One man's meat is another man's poison', is in a psychological sense an indication that different people see and sense the same thing in different ways.

Perception plays an important part in human as well as organizational behaviour. For example, if a manager perceives a subordinate's ability as limited, he will give him limited responsibility, even if the subordinate, in fact, is an able person. Similarly, we lose a lot of good friends due to our changed perceptions about them.

***Attitude:*** Attitude may be defined as the organization of a perception within a frame of reference. It can also be described as the manner in which an individual behaves, reacts, thinks or perceives a particular object in a given situation. It is a tendency to act in a certain way, either favourably or unfavourably concerning objects, people or events. For example, if I say that 'I like my job,' I am expressing my attitude towards my work.

Attitude has three elements in it that lead to measurable outcomes. These are feelings, thoughts and behaviour. Feelings and thoughts can be measured by simply asking individuals about their feelings and opinions. Behaviour can be measured either by actual overt actions or simply by asking the person how he would act in a certain situation. By measuring and integrating these three elements, a person's attitude towards a given situation can be established.

In general, a person may have a positive attitude that is good outlook of life, or negative attitude that means continuous complaining about problems in life. Organizationally speaking, an employee's negative attitude about work may be reflected by substandard work performance, excessive absenteeism, excessive complaining about work environment or disobedience to rules of authority. These attitudes can be changed either by simple persuasion or by training and coaching. Kelman has identified three processes that act as instruments of change. The first is *compliance,* that is application of subtle pressure either through reward or punishment in order to change the behaviour, and expecting this change to be lasting.

The second process is that of *identification* with the person who is affecting the change and is acting as a change agent. This change agent could be a close friend who wants you to change and you respect and love him enough to do so to

please him. In marriage, for example, both the husband and the wife make a lot of sacrifices and change their behaviour to please each other. The third process is the process of *internalization,* that is more permanent in nature. This means that the new attitude is integrated with the other attitudes and becomes a part of the person's total personality. This change may occur through internal soul searching and the desire to change that comes from within.

***Personality:*** When we describe people as quiet and passive or loud and aggressive or ambitious, we are portraying an aspect of their personality. A set of traits, habits and characteristics comprise the personality of an individual. This may also include conditioned responses that an individual may express to a set of given stimuli which in a way also contribute towards creating an impression of an individual upon others. This personality may come out as warm and friendly, or arrogant and aggressive. Many psychologists contend that personality traits develop in the early childhood years and very few personality changes can be made after the childhood years. There are different types of personality traits. Some of them can be biological in nature while others may be learned over a period of time. Examples of biological traits include physical build and intelligence. The traits which are learned over a period of time are patience, open mindedness, outspoken nature, introvertness or extrovertness in behaviour, etc.

Some of these personality traits are highly influential in certain organizational operations from organizational behaviour point of view. For example, Tedeschi and Lindskold propose that people who are open minded seem to work better in bargaining agreements than people who are narrow minded. Similarly, people who are extroverts and outgoing are more likely to be successful as managers than those who are introverts.

## 2.3 ENVIRONMENTAL FACTORS

While behaviour is a reaction to situations and the type of reaction is based upon some inherited and some learned behavioural characteristics, the environment is an important catalyst in determining such type of reactions. If the environment is complementary to established behaviour, then the actions are positively reinforced. However, if the environment is hostile to the values and skills of the worker, then negative reactions take place. For example, some of the coolest people have been known to lose temper under certain situations. Highly skilled people have changed jobs because the environment in the job situations was not conductive to their enhancement. On the other hand, less skilled people have learned skills and forged ahead because of the right environment.

The environment surrounding the work place has two elements. These are physical and social. The physical environment at a work place is the arrangement

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of people and things so that this setting has a positive influence on people. Some of the physical factors that influence behaviour are noise level, heat, light, ventilation, cleanliness, accessibility to work tools, space utilization, colour coordination, nature of job, office furnishing and number of people working at a given place. The open communication between the manager and the subordinates has a positive effect on behaviour. The common cafeteria for management and workers in the factories and offices in Japan has been known to be highly motivating to workers. Recent studies in "open wall" office concept showed that some employees were more productive and satisfied with their work place in open space when their jobs did not require private office space.

The social environment relates to interaction among people and respect for numerous social and societal laws, rules and norms created by people to regulate and control behaviour of people. These social influences are affected by family environment, friends, associates, peers at work and groups to which an individual belongs. Much of the behaviour is an outcome of respect for norms and laws. Norms are unwritten rules and informal expectations about how people behave in certain social situations. For example, standing at the back of a line for a service is expected behaviour from people. Any person bypassing the line will be ridiculed and perhaps not allowed to do so. These norms are useful in standardizing behaviour of all people in a particular environment. "When in Rome, do as the Romans do" is perhaps intended to respect the norms of a certain social group that you come in contact with.

Rules and laws on the other hand are formalized and written standards of behaviour. Both rules and laws are strictly enforced; laws by the legal system and rules by the social system. Laws relate to all members of the society. For example, stealing property of others is illegal and punishable by law and applies to all people within the system. Rules on the other hand affect only a particular segment of the society. These may be rules of a family, a group, a club or an organization. Working from 9 a.m. to 5 p.m. is an organizational rule. Airlines have certain rules about wearing safety belt and smoking. There are rules for visitors visiting a public place or a tourist place.

Observing the norms, rules and laws voluntarily makes for an orderly society and allows for predictability of behaviours.

**Check Your Progress**

1. What does the theory of 'born' leaders suggest?
2. Define the learned characteristics of behaviour.
3. What are the two elements of the environment surrounding the work place?

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## 2.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. The theory of 'born' leaders suggests that some people behave in a certain manner, because they were born that way. The belief is based upon the assumption that certain behavioural characteristics are genetic in nature and are inherited.
2. Those characteristics that are a product of our exposure to various situations and stimuli, both within the family and the outside environment are known as learned characteristics of behaviour.
3. The environment surrounding the work place has two elements. These are physical and social.

## 2.5 SUMMARY

- Human behaviour, a complex phenomenon as it is, is most difficult to define in absolute terms. It is primarily a combination of responses to external and internal stimuli.
- It has been established that certain characteristics of behaviour are genetic in nature, and a human being inherits a certain degree of similarity to other individuals, as well as uniqueness in the form of genes and chromosomes.
- The theory of 'born' leaders suggests that some people behave in a certain manner, because they were born that way. The belief is based upon the assumption that certain behavioural characteristics are genetic in nature and are inherited. If we know that a person has certain inherited qualities and limitations, then we may be able to use our control techniques more intelligently.
- There are two categories in which the causes of human behaviour can be classified. These are: (1) inherited characteristics and (2) learned characteristics.
- Attitude may be defined as the organization of a perception within a frame of reference. It can also be described as the manner in which an individual behaves, reacts, thinks or perceives a particular object in a given situation.
- When we describe people as quiet and passive or loud and aggressive or ambitious, we are portraying an aspect of their personality. A set of traits, habits and characteristics comprise the personality of an individual.
- While behaviour is a reaction to situations and the type of reaction is based upon some inherited and some learned behavioural characteristics, the environment is an important catalyst in determining such type of reactions.

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- The environment surrounding the work place has two elements. These are physical and social.
- The physical environment at a work place is the arrangement of people and things so that this setting has a positive influence on people.
- The social environment relates to interaction among people and respect for numerous social and societal laws, rules and norms created by people to regulate and control behaviour of people.

## 2.6 KEY WORDS

- **Chromosomes:** It is a threadlike structure of nucleic acids and protein found in the nucleus of most living cells, carrying genetic information in the form of genes.
- **Perception:** It means the ability to see, hear, or become aware of something through the senses.
- **Attitude:** It refers to a set of emotions, beliefs, and behaviours toward a particular object, person, thing, or event.

## 2.7 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. What is perception?
2. Define attitude.
3. What is the social environment?

**Long-Answer Questions**

1. Explain the causes of human behaviour.
2. Examine the inherited and learned characteristics of human behaviour.
3. Describe the dependent and independent variables of human behaviour.

## 2.8 FURTHER READINGS

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# UNIT 3 OVERVIEW OF PERSONALITY

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**Structure**



## 3.0 INTRODUCTION

The concept of personality is often discussed in our daily routine and while coming across different people, one may associate different individuals with varied personalities. For example, one particular individual may be having a pleasing personality while another may be having an arrogant personality. Similarly, one individual may be having an aggressive personality while another individual submissive personality. Sometimes, we refer to disagreements among people which possibly arise due to personality conflicts. Personality of an individual can be found out from his behavioural traits or temperament. In this unit, you will study about the definition, determinants, and development of personality.

## 3.1 OBJECTIVES

After going through this unit, you will be able to:

- Define personality
- List the determinants of personality
- Examine the development of personality
- Discuss the various theories of personality

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## 3.2 PERSONALITY: DEFINITIONS, DETERMINANTS AND INFLUENCE OF PERSONALITY

Personality of an individual plays an extremely important role in assessing the behaviour of a person at an organization. In case an individual who is holding a senior position in an organization has a wrong type of personality, it may lead to a very bad impact on the relationship between superior and his subordinates and ultimately it may lead to protests and unrest at the workplace. Sometimes the personality difficulties are the root cause of labour strikes. No matter how good the superior is in technical knowledge or other behavioural characteristics, it is the 'temperament' of the superior that is crucial in ensuring a cordial interaction with subordinates.

Personality has been defined by Salvatore Maddi as follows:

'Personality is a stable set of characteristics and tendencies that determine those commonalties and differences in the psychological behaviour (thoughts, feeling and actions) of people that have continuity in time and that may not be easily understood as the sole result of the social and biological pressures of the moment.'

This definition however has several aspects which must be considered. Stability of characteristics is the first important aspect which needs to be considered. Consistency in an individual's characteristics will actually define the consistency of the behavioural patterns that may be expressed by an individual. If a person's entire personality could change suddenly, then we would not be able to predict his personality traits. For example, if a person is sometimes warm and friendly and at other times he is cold and hostile, then we cannot conclude that his personality is warm and friendly. Accordingly, when assessing a person's personality, we need to look for characteristics that are relatively stable or that change only very slowly over a long period of time.

Understanding the 'commonalities and differences' is another important aspect. This helps in assessing the different aspects that an individual has similar to others and what are those points which actually make him different from the others and set him apart as an individual. Each and every person

- like all other people
- like some other people
- like no other person

Organizationally, a manager must understand that all subordinates are not alike and that each subordinate is unique and may or may not respond to the same stimuli, such as pay raise or reprimands.

Finally, we are interested in such aspects of personality that induce people to behave in a manner as required by social pressures or biological pressures. For

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example, if your boss wants you to do a job in a certain way, you will do it even if you disagree with your boss. That is a kind of social pressure. Similarly, you will stop working and go for lunch because you are hungry. That is a biological pressure. Hence, these behaviours do not require any explanation in terms of personality factors because the causes of such behaviour are clearly understood.

**Determinants and Structure of Personality**

Let us now study about the determinants and structure of personality.

**Type A and Type B personality and behaviour**

One dimension of personality that is getting attention both from organizational as well as medical researchers is the Type A and Type B behaviour profiles. The Type A behaviour individuals are most of the times restless and impatient in their expressions. They generally aim at perfectionism and want to achieve results as quickly as possible in lesser amount of time. The other type of the individuals are those with Type B behaviour. These are generally more relaxed and patient in their expression. They do not feel the pressure of timelines. These individuals are more philosophical in nature and are however less competitive.

Some of the characteristics of the individuals with Type A personality are as follows:

- They are generally restless so they eat rapidly and keep walking or are generally on the move.
- They have the tendency to perform several tasks at one given time.
- They are generally impatient in their expressions; do not like to waste their time in waiting for others.
- They are also impatient about other individuals who are not really impatient.
- They have habit of starting with newer tasks before completing the previous ones.
- They normally schedule greater number of activities in lesser time though they are initially themselves not really sure that whether everything will be done or not.
- At times, they are involved in nervous gestures such as banging on the table and using clenched fists, etc.
- They generally do not have time to relax or enjoy life.

Thus, the Type A personality individuals are generally obsessive in nature. The managers who possess the traits of this personality pay attention to details, are hard-driving in nature and also keep their team members pushed towards achieving performance.

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Individuals with Type B personality are generally the opposite to the Type A individuals. These type of individuals are more relaxed and sociable in nature. They have a balanced outlook in life.

Type A managers have difficulties in creating cordial interpersonal relationships and create a lot of stress for themselves and the people they deal with. They specially feel pressurized if they have to complete a task within a given deadline. Type B persons on the other hand, do put in extra effort in order to meet a deadline but do not feel pressurized.

Those persons who are classified as Type A have a strong desire and tendency to control all aspects of the situation, and if they are unable to control a situation, they react with anger and frustration. Because of their obsession with perfection, they are more apt to fear of failure and even if their work is good, they tend to underestimate the quality of their work. In case of negative outcomes, they blame themselves more than the external factors.

A comprehensive identification of Type A personality is given by Karen A. Mathews as follows:

The Type A pattern can be observed in any person who is aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and if required to do so, against the opposing efforts of other things or other persons. The overt manifestations of this struggle include explosive, accelerated speech, a heightened pace of living, impatience with slowness, concentrating on more than one activity at a time, self-preoccupation, dissatisfaction with life, evaluation of the worthiness of one's activities in terms of numbers, a tendency to challenge and compete with others even in non-competitive situations, and a free floating hostility. The major facets of 'core' elements of the behaviour pattern are extremes of aggression, easily aroused hostility, a sense of time urgency and competitive achievement surviving.

Research has indicated that such patterns of behaviour as exhibited by Type A personality profile, lead to health problems, specially heart related illness. In contrast, Type B persons may be hard working but feel no pressing conflict with people or time and hence are not prone to stress and coronary problems.

**Assessment of Personality**

While we know what personality is, we are interested to know how a given personality is formed. What determines an individual's personality? Personality can be compared to a jigsaw puzzle in which we are interested in finding out the sources of all the pieces in the puzzle as well as their interrelationships.

There are two broad categories of factors that influence the formation and development of personality. These are heredity factors and environmental factors. It is debatable as to which of these factors have a greater influence on the structure of personality. Some behaviour scientists argue that personality characteristics are derived from heredity factors and the right type of environment only brings them

out. Others feel that the effect of environment is quite strong. According to Maier, 'knowledge, skill and language are obviously acquired and represent important modifications of behaviour. Learned modifications in behaviour are not passed on to children, they must be acquired by them through their own personal experience.'

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Thus, a probable consensus can be reached that it is both hereditary and environmental factors together affect the personality development of an individual. There may be some environmental constraints or limitations at times which may not allow an individual to completely realize his potential. However, the complete potential of an individual comprising both physical as well as psychological aspects may be determined by the hereditary aspects that is the complex set of genes.

### Influence of Personality on Behaviour

There is an enormous number of human traits. It has been estimated that there may be as many as 5,000 adjectives that could be used to describe personality traits. As has been discussed before, personality is a set of relatively stable characteristics or dimensions of people that account for consistency in their behaviour in various situations. There are a few very important dimensions of personality which can be related to both interpersonal and organizational behaviour. These may be described as follows:

***Authoritarianism:*** When an individual blindly accepts authority, it is referred as authoritarianism. The individuals believing in this concept have a high respect for authority and follow all the directions extended by the authority extremely obediently. They adhere to conventional values, are generally conservative, endorse strong parental control in keeping the family close and together, are concerned with toughness and power, are closed minded and generally less educated.

Such people generally prove to be very good followers. This is because of their strong belief in the hierarchical order. They prove to be very good assets for a company when they work under the directions of a defined supervisor and they are extremely productive under an authoritarian organizational set up.

'Dogmatism' can also be closely related with 'Authoritarianism'. Dogmatism refers to expression of rigidity in one's beliefs. A highly dogmatic person is closed minded, and believes in blind obedience to authority and intolerance towards others. They are generally known as fanatics such as religious fanatics or political fanatics like hard core communists or right wing Nazis.

***Bureaucratic personality:*** A bureaucratic individual also respects organizational rules and regulations but he differs from an authoritarian person in the manner that he may not blindly accept the directions of an authority. He also has respect for the authority; however this respect is not total and blind in case of a bureaucratic individual. Such individuals definitely value rules, policies, processes, regulations, subordination, formal and informal relationships in an organization. They are generally not innovative, do not take risks and are at ease in following

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established directives. Bureaucratic managers are better supervisors in types of work that are routine, repetitive and procedurized.

***Machiavellianism:*** A sixteenth century author named Niccolò Machiavelli worked in the field of personality and identified personality profiles of the noble men of the day. The term called Machiavellianism has also been associated with the name of this author. This type of personality wishes to exercise a control over others simply by manipulating others. They do this primarily with the objective of achieving some personal goals. The individuals having this type of personality have high self-confidence and high self-esteem. They always take calculated steps and do not hesitate while using others for their own advantage and selfish interest. Their sole objective is to meet their own objectives and goals. They believe that ends justify means and do not feel guilty in using unethical means to serve their own interests. They are skilled in influencing others, and they approach the situations thoughtfully and logically. They would not hesitate to lie if necessary, and they are not easily swayed by a sense of friendship, trust or loyalty. They are especially successful in exploiting structured situations and vulnerable people.

***Problem solving style:*** These individuals indulge in different ways and means and they have their own style of making decisions. These facets are also reflected through their personality traits. For example, some of the people with this type of personality are well planned, thorough in their approach, pay attention to details, etc. However, some others are impulsive and they just go ahead with something which is extremely obvious. The problem solving style has two dimensions. These dimensions are:

(i) Collecting and organizing data.

(ii) Making decisions using the data and information gathered from the data.

Further, in the process of information gathering also, two styles are involved. These are:

(i) Sensation: The first style is known as sensation. Sensation-oriented people prefer routine and order, structured situations, and put emphasis on precise and well-defined details.

(ii) The second style known as intuitive style, involves individuals who dislike routine, dislike repetition and prefer new problems. They enjoy learning new skills but follow their instinct and jump to conclusions. Such persons often enjoy fantasy, daydream a lot and thus are subject to greater error of fact. They change their mind quickly and often do not finish what they start before going to a new project.

Evaluation involves making judgements on the basis of the information so gathered. There are two dimensions involved in the evaluation style. These are:

(i) Emphasis on feeling

(ii) Emphasis on thinking

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Feeling type people are sensitive to conflict and try to avoid issues that might result in disagreements. They are emotional and spontaneous and base their decision on how they feel about the situations. They do not like to hurt other people and friendly relationships to them are more important than efficiency or achievement. Feeling type managers find it hard to reprimand their subordinates for inadequate performances and would rather advise, guide and help them.

Thinking type people are more logical, analytical and use reason when solving problems. They are unemotional and are unsympathetic to other people's feelings when making judgements. They are very stubborn about defending their 'principles' and what they believe is right. They are organized and well-structured, and they carefully consider all options before making decisions.

**Introvert and Extrovert Personalities**

Introvert personalities are generally shy in nature and they prefer to be alone. They do not freely communicate with others and may feel hesitant while communicating with others. The extrovert personalities are however different from the introverts and they are most of the times outspoken and outgoing in their behaviour. They are at times aggressive also and are capable of interacting effectively with people. According to L.W. Morris, the introvert is behaviourally described as 'quiet, introspective, intellectual, well-ordered, emotionally unexpressive and value oriented, prefers small groups of intimate friends and plans well ahead.' On the other hand, an extrovert is best described as, 'sociable, lively, impulsive, seeking novelty and change, carefree and emotionally expressive.'

From an organizational point of view, it can be assumed that most managers would be extroverts since a manager's role involves working with and through other people. One the other hand, an extreme introvert works best when alone in a quiet office without external interruption or influences.

**Self-esteem**

Self-esteem may be defined as the level of respect that one may have for himself. It may be defined as the measure of one's own confidence level. It is also indicative of the respect that one has for his capabilities and motivation standards. Self-esteem has been placed as a higher level motivational need of an individual as per the Maslow's model of hierarchical needs. Self-esteem can be correlated with traits like independence, creativity and assertiveness. The individuals with high self-esteem levels are generally very friendly in their behaviour. They are also affectionate and relate easily with people. They are good at interpersonal skills and are capable of appreciating other people for their positive qualities and strengths. Low self-esteem people are the people who are generally critical of others. They exhibit a depressing behaviour and most of the times indulge in blaming others for their own failures.

At the level of an organization, the people with high-esteem generally prove to be better performers than the ones with low self-esteem. The poor performance

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faced by the people with low self-esteem further reinforces their behavioural traits. According to Abraham K. Korman, 'People of high self-perceived competence and self-image should be more likely to achieve on task performance than those who have low self-image concerning the task or job at hand, since such differential task achievement would be consistent with their self-cognitions. This assumes that task performance is seen as valued.'

**Check Your Progress**

1. What is authoritarianism?
2. What is self-esteem?

## 3.3 PERSONALITY DEVELOPMENT

Personality development is a natural as well as a perceptual process. Children learn from the parents. Personality includes physiological and psychological components. Hereditary characteristics, family and social environments influence personality development. There are different theories of personality development, which we will discuss later on in the section. Personality development is a continuous process where personal qualities are interactively developed in different situations. Although personality traits are basically consistent, modification of traits takes place from situation to situation. The socialisation process helps in the development of personality.

Heredity, as an endowment, influences behaviour and personality development through body characteristics, gene transmission, functioning of circulatory, muscular and nervous systems, and so on. Intelligence, industriousness, daring attitude and other human qualities are generally related to gene transmission. A tall and handsome body is a result of heredity. The family environment helps in development of personality. The education and behaviour of parents, sisters and brothers have a great impact on one's personality development. Similarly, personality characteristics are developed through the self-learning and socialisation process. The values, superstitions and attitudes of parents are observed in the children who modify them through social learning, associated groups, i.e. friends, relatives, classmates, colleagues and other acquainted persons.

Family and social cultures have a great impact on personality development. Persons living in a social setup acquire the characteristics of the group. A child of a bureaucrat imbibes the characteristics of bureaucratic environment and develops its characteristics likewise. Socialisation inspires complex behaviour in persons. It stimulates, organises, influences behaviour, and consequently promotes personality development. Fred Luthans has emphasised the socialisation process as SOBC—stimuli, organisms, behaviour and consequences. People learn from the social system

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to change and develop attitudes, adjustment of work habits, mutual trust and confidence and physiological as well as psychological development. Situational factors help in the development of understanding, directing and controlling abilities.

**Personality Measurement**

The objective of personality study is to guide employees towards proper behaviour in an organisation. Different employees have varied characteristics. A particular type of personality is needed for a particular job performance. It is therefore essential to measure personality characteristics for the proper placement of an employee in a suitable job as per his personality features. The measurement of personality is done by dividing the variable into two, namely the dependent variables and independent variables. The dependant variables are behaviour and performance, whereas the independent variables are personality characteristics. With the help of parametric devices, we can measure how and by how much personality characteristics can influence the behaviour and performance. Tests of significance, reliability and validity of personality characteristics are possible through the use of statistical tools and techniques. Chi-square ($X^2$) test, *z* test, *t* test and other analytical tools are used to measure the impact of the personality on behaviour, performance and achievement. Likert test, seven point variables and other methods are commonly used for measuring the impact of personality characteristics. Many authors have developed useful techniques of personality measurement. For example, Minnesota Multiphasic Personality Inventory (MMPI) and the California Personality Inventory (CPI) are developed to measure personality and the suitability of a particular personality to a job. Projective tests, the Thematic Apperception Test (TAT) and other measures are used for personality measurement. Observation of personality also reveals essential features. One can closely watch the behaviour of employees and the impact of personality on performance. Group behaviour, role of employees, interpersonal skills and physical and psychological characteristics are important segments to understand the role of personality in performance and achievement. Questionnaires, personal interviews and observations are used for assessing the personality features of employees. It helps in designing the job content and job context for performance satisfaction and an achievement situation. Satisfied employees perform better, and corporate objectives are achieved easily. The purpose of personality measurement is to develop and modify people's personalities for better performance and goal achievement.

### 3.3.1 Theories of Personality

Since personality variables reflect consistent and enduring patterns of behaviour, these patterns can be classified into certain categories, so that the behaviour can be predictable once we identify the pattern of behaviour as belonging to a given category. People in a given category would have a similar pattern of attributes, and personality theories tend to identify such attributes in order to group people into these various categories.

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### 1. Psychoanalytical Theory

The Psychoanalytical theory of personality as a reflection of behaviour has been based primarily on the Freudian concept of unconscious nature of personality. Freud noted that his patient's behaviour could not always be consciously explained. This led him to believe that the personality structure is primarily founded on unconscious framework and that human behaviour and motivation is the outcome of such conflicting psychoanalytic concepts as the id, the ego and the super ego. Id is the foundation of the unconscious and is the base of libido drives. It strives for sexual pleasure and other biological pleasures and has animalistic instincts of aggression, power and domination. Ego is conscious in nature and is a mechanism to relate our conscious urges to the outside real world. It keeps the id in check through the realities of the external environment. While id demands immediate pleasure, whatever the cost, ego controls it so that these pleasures are granted at an appropriate time and in an acceptable manner. Because of difficulty of keeping the id under control, ego is supported by super ego. The super ego is the higher-level restraining force and can be described as the conscience of the person. The conscience creates standards of what is wrong and what is right and is generally subconsciously developed by the absorption of cultural and ethical values of the social environment. All these three Freudian elements are inter-related and each cannot exist in isolation from others. In order to create a 'normal' personality, there must be a balance in the relationship among these three forces.

### 2. Trait Theory

Trait theory visualizes personality as a reflection of certain traits of the individual. Even though there are many traits that are common to most people, there are many other traits that are unique to a person and are not shared by other individuals. On the basis of the traits theory, people can be described as aggressive, loyal, pleasant, flexible, humorous, sentimental, impulsive, cool and so on. Traits are the basic elements of personality and can be used to summarize behaviour. For example, if we see people behaving in an extrovert and forceful manner in most situations, we could label their personality as aggressive. Similarly, if a person is observed in different situations as letting someone else take the initiative in deciding what to do, we could describe his personality as 'submissive'.

### 3. Self-Concept Theory

This theory is organized around the concept that personality and behaviour are largely determined by the individual himself. We tend to act in ways that are consistent with our own image of who we are. For example, a man known as a flirt would hardly stop at flirting. Carl Rogers is most closely associated with this theory. According to him, behaviour can be best understood by the internal frame of reference that an individual has for his own self. An individual himself is the centre of experience. His self-image is integral to how he views himself and his perception of how others view him.

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**4. Social Learning Theory**

The social learning theory differs from the psychoanalytical theory in two ways. Firstly, personality development has been believed to be a result of the social variables rather than of the biological drives. Secondly, motives can be traced to known and conscious needs and wants rather than unconscious and latent desires. According to the learning theory, personality may be defined as the cumulative total of all the learning of a person.

'Reinforcement and punishment' approach has been used to understand personality according to the social learning theory. For example, one may be frustrated because of the external environment and this can actually bring forward aggression as one of his personality traits. Similarly, an individual's good behaviour may be rewarded by the society in terms of appreciation and this further helps in reinforcement of the good behaviour. Thus, it can be understood that there is a mutual interaction that exists between external environment and behaviour.

**Check Your Progress**

3. What is personality development?
4. What is the trait theory of personality?

## 3.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. When an individual blindly accepts authority, it is referred as authoritarianism.
2. Self-esteem may be defined as the level of respect that one may have for himself. It may be defined as the measure of one's own confidence level.
3. Personality development is a continuous process where personal qualities are interactively developed in different situations. Although personality traits are basically consistent, modification of traits takes place from situation to situation. The socialisation process helps in the development of personality.
4. Trait theory visualizes personality as a reflection of certain traits of the individual. Even though there are many traits that are common to most people, there are many other traits that are unique to a person and are not shared by other individuals.

## 3.5 SUMMARY

- The concept of personality is often discussed in our daily routine and while coming across different people, one may associate different individuals with different personalities. For example, one particular individual may be having

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a pleasing personality while another one may be having an arrogant personality.

- There are two broad categories of factors that influence the formation and development of personality. These are heredity factors and environmental factors.
- Personality is a set of relatively stable characteristics or dimensions of people that account for consistency in their behaviour in various situations.
- Introvert personalities are generally shy in nature and they prefer to be alone. They do not freely communicate with others and may feel hesitant while communicating with others. The extrovert personalities are however different from the introverts and they are most of the times outspoken and outgoing in their behaviour.
- Since personality variables reflect consistent and enduring patterns of behaviour, these patterns can be classified into certain categories, so that the behaviour can be predictable once we identify the pattern of behaviour as belonging to a given category.
- Personality development is a natural as well as a perceptual process. Children learn from the parents. Personality includes physiological and psychological components.
- Hereditary characteristics, family and social environments influence personality development.
- Family and social cultures have a great impact on personality development. Persons living in a social setup acquire the characteristics of the group.
- The objective of personality study is to guide employees towards proper behaviour in an organisation. Different employees have varied characteristics. A particular type of personality is needed for a particular job performance. It is therefore essential to measure personality characteristics for the proper placement of an employee in a suitable job as per his personality features.
- There are four major personality theories: psychoanalytical theory, trait theory, self-concept theory and social learning theory.
- Trait theory visualizes personality as a reflection of certain traits of the individual. Even though there are many traits that are common to most people, there are many other traits that are unique to a person and are not shared by other individuals.
- The social learning theory differs from the psychoanalytical theory in two ways. Firstly, personality development has been believed to be a result of the social variables rather than of the biological drives. Secondly, motives can be traced to known and conscious needs and wants rather than unconscious and latent desires.

## 3.6 KEY WORDS

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- **Dogmatism:** It refers to the expression of rigidity in one's beliefs.
- **Introvert:** It refers to someone who is shy, quiet, and prefers to spend time alone rather than often being with other people.
- **Super Ego:** It refers to the part of a person's mind that acts as a self-critical conscience, reflecting social standards learned from parents and teachers.

## 3.7 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. What are the determinants of personality?
2. What is the difference between introvert personality and extrovert personality?
3. Write a short-note on personality development.

**Long-Answer Questions**

1. How is personality measured? Analyse.
2. Discuss the various theories of personality.

## 3.8 FURTHER READINGS

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# UNIT 4 PERCEPTION

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**Structure**



## 4.0 INTRODUCTION

In the previous unit, you learnt about the concept and theories of personality. In this unit, we will discuss perception. By perception, we mean the organization, identification, and interpretation of sensory information in order to represent and understand the presented information, or the environment. There are essentially four stages in the perception process, that is, receiving, selecting, organizing and interpreting. In organizational behaviour, perception is important because it is vital for employees to understand the tasks that need to be performed, what is acceptable behaviour while completing those tasks, as well as to clarify their roles within an organization.

## 4.1 OBJECTIVES

After going through this unit, you will be able to:

- Define perception
- Explain the process of perception
- Discuss the determinants of perception

## 4.2 PERCEPTION: DEFINITION, PROCESS AND SENSATION

The psychological processes that allow an individual to adjust his behaviour is called perception. The behaviour of an individual is influenced by his personality, motives and efforts. The behaviour and performance provides satisfaction to the employee who gets stimulated to work more and develop his personality and work quality.

Behaviour is a victim of the environment, which is observed in the form of stimuli. The sensory organs perceive the stimuli as per their learning and personality. The reverse functions are also correct. Perception, if modified through adequate and qualitative stimuli, helps to develop learning and personality. Improved behaviour has better performance and rewards which provide more satisfaction to the employees. A satisfied employee tries to learn and work effectively. An organization grows with the developed employees. Perception is therefore an important and initial step for developing an organizational behaviour. It is a cognitive process which selects, organises and interprets the stimuli. It paves the base for behaviour. Although perception may not be a real-world presentation, it is an imaginary understanding of the situation. The behaviour of an individual is guided by perception. People perceive differently as per their learning and personality. The perceptual world of a manager is different from the perceptual world of employees. Social factors also influence the perception process. Employees coming from a poor family have different perceptions of an organization from those coming from rich families. The levels of education, family background and political situation have a direct impact on the perception level.

### Definition

Perception may be defined as 'a cognitive process by which people attend to incoming stimuli, organise and interpret such stimuli into behaviour.' Perception can also be defined as 'a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment.'

The environment is a stimulus to influence behaviour, because the stimuli are attended, organised and interpreted to arrive at certain forms of behaviour. The sensory organs, i.e. eyes, nose, ears, skin and tongue, are used to change the stimuli into behaviour through their attention, recognition and interpretation processes. The information or stimuli are not accepted by individuals unless they are evaluated and interpreted by the mental processing system. Individuals attend to the stimuli, recognise and translate them into meaningful information, which inspire them to act and perform the job. These processes are known as perpetual process. When employees get satisfaction through their performance, either by meeting their physical or mental needs, they perceive the organization in the right perspective. It helps them understand the functions and achieve satisfaction.

### Components of Perception

Perception is a process of sensory organs. The mind gets information through the five sense organs, viz. the eyes, ears, nose, tongue and skin. The stimulation coming to these organs may be through action, written messages, oral communication, odour, taste, touch of the product and people. The perception starts with the awareness of these stimuli. Recognising these stimuli takes place only after paying attention to them. These messages are then translated into action and behaviour.

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***Stimuli:*** The receipt of information is the stimulus which results in **sensation**. Knowledge and behaviour depend on senses and their stimulation. The physical senses used by people are vision, hearing, touch, smell and taste. Intuitions and hunches are known as the sixth sense. These senses are influenced by a larger number of stimuli which may be action, information, consideration and feelings, etc. The stimuli may be in the form of objects or physical commodities. The human body itself is developed through the acceptance of the stimuli. The mind and soul are the victims of these stimuli occurring in the surroundings of the people. The family, social and the economic environment are important stimuli for the people. The physiological and psychological functions are the result of these stimuli. The intensive and extensive forms of stimuli have a greater impact on the sensory organs. The physical work environment, socio-cultural environment and other factors have certain stimuli to influence the employee's perception. Perception begins only when people confront stimuli; that is, stimulating factors give information about the situation.

***Attention:*** Stimuli are selectively attended to by people. Some of the stimuli are reacted to while others are ignored without being paid any attention. The stimuli that are paid attention depend purely on the people's selection capacity and the intensity of stimuli. Educated employees pay more attention to any stimuli, viz. announcement of bonus, appeal for increasing productivity, training and motivation. The management has to find out suitable stimuli which can appeal to the employees at the maximum level. If the attention of the employees is not drawn, the organization cannot expect proper behaviour from the employees. An organization should be aware of all those factors which affect the attention of the employees. During the attention process, sensory and neural mechanisms are affected and the message receiver becomes involved in understanding the stimuli. Taking employees to the attention stage is essential in an organization for making them behave in a systematic and required order.

***Recognition:*** After paying attention to the stimuli, the employees try to recognise whether the stimuli are worth realising. The messages or incoming stimuli are recognised before they are transmitted into behaviour. Perception is a two-phase activity, i.e. receiving stimuli and translating the stimuli into action. However, before the stage of translation, the stimuli must be recognised by the individual. The recognition process is dependent on mental acceptability. For example, if a car driver suddenly sees a child in front of his running car, he stops the car. He recognises the stimuli, i.e. the life of the child is in danger. His mental process recognises the danger after paying attention to the stimuli. If he does not pay attention to the stimuli, he cannot recognise the danger. After recognising the stimuli, he translates the message into behaviour.

***Translation:*** The stimuli are evaluated before being converted into action or behaviour. The evaluation process is translation. In the above example, the car driver after recognising the stimuli uses the clutch and brake to stop the car. He has immediately translated the stimulus into an appropriate action. The perception process is purely mental before it is converted into action. The conversion is

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translation. The management in an organization has to consider the various processes of translating the message into action. The employees should be assisted to translate the stimuli into action. For example, the announcement of bonus should be recognised as a stimulus for increasing production. The employee should translate it into appropriate behaviour. In other words, they should be motivated by the management to increase productivity. During the translation period, psychological mechanism commonly known as sensory and mental organs are affected. They influence perception. The incoming stimuli are interpreted and perception is developed.

***Behaviour:*** Behaviour is the outcome of the cognitive process. It is a response to change in sensory inputs, i.e. stimuli. It is an overt and covert response. Perceptual behaviour is not influenced by reality, but is a result of the perception process of the individual, his learning and personality, environmental factors and other internal and external factors at the workplace. The psychological feedback that may influence the perception of an employee may be superior behaviour, his eye movement, raising of an eyebrow, the tone of voice, etc. The behaviour of employees depend on perception which is visible in the form of action, reaction or other behaviour. The behavioural termination of perception may be overt or covert. The overt behaviour of perception is witnessed in the form of physical activities of the employees and covert behaviour is observed in the form of mental evaluation and self-esteem. The perception behaviour is the result of the cognitive process of the stimulus which may be a message or an action situation of management function. Perception is reflected in behaviour which is visible in different forms of employees' action and motivation.

***Performance:*** Proper behaviour leads to higher performance. High performers become a source of stimuli and motivation to other employees. A performance–reward relationship is established to motivate people.

***Satisfaction:*** High performance gives more satisfaction. The level of satisfaction is calculated with the difference in performance and expectation. If the performance is more than the expectation, people are delighted, but when performance is equal to expectation, it results in satisfaction. On the other hand, if performance is less than the expectation, people become frustrated and this requires a more appealing form of stimulus for developing proper employee work behaviour and high performance. It is essential to understand the factors that influence the perception process and mould employees' behaviour towards the corporate objectives and self-satisfaction.

Several stimuli are observed everyday by individuals. They confront these stimuli, notice and register them in their minds, interpret them and behave according to their background and understanding. Employees confronted with stimuli select only a few stimuli of their choice and leave other stimuli unattended and unrecognised. Factors influencing the selective process may be external as well as internal, organizational structures, social systems and characteristics of the perceiver.

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### Sensation

As you learnt, the receipt of information is the stimulus which results in sensation. Sensation is thus the process that allows the brains to take in information via the five senses, which can then be experienced and interpreted by the brain. Sensation occurs thanks to our five sensory systems: vision, hearing, taste, smell and touch. Each of these systems maintains unique neural pathways with the brain which allows them to transfer information from the environment to the brain very rapidly.

**Check Your Progress**

1. State the outcome of the cognitive process.
2. Define sensation.

## 4.3 DETERMINANTS OF PERCEPTION

No doubt stimuli do play a significant role in the perception process as various factors relating to the perception process have been noticed by behavioural experts. The factors influencing perceptions are the perceiver's characteristics, object and situations. However, they can be analysed under specific heads such as the perceiver's characteristics, personal factors, internal factors, organizational structures and social conditions.

### Perceiver's Characteristics

Perception depends on how an individual views the objects and situations. Some employees may perceive the workplace as incorporating favourable working conditions, while others may perceive it as a place of good pay. The perception is not actual reality, but it is the viewing of the reality which differs from person to person according to their respective characteristics. Perceptions of the object are influenced not only by individual's characteristics but also by the characteristics of other employees, the manager's personality and employee's views from their perception of the workplace. The characteristics of employees, viz. attitude, motives, interests, habits, experience, expectations, learning and personality, have a greater influence on perception formation.

***Attitude:*** The attitude and aptitude of employees influence perception formation. If they have positive attitudes towards the management, they directly perceive the stimuli given by management. In case of negative attitudes, the employees suspect the management's approach. Employees of high aptitude have a desire and attitude for growth. They behave positively towards the management of an organization.

***Motives:*** The motives and desires of employees cause them to view stimuli differently as per their level and angle. Helpful motives of the employees will always assist the management. If they desire to develop themselves and the organization,

they will perceive objects and situations positively. Employees having low motives will not work sincerely. The perception will differ depending on different types of motives. An indecisive manager perceives his supervisors differently. Personal insecurity of a manager results in doubtful perception about his supervisors, irrespective of their intentions. People who are dubious are prone to see others as dubious persons. Motives are reflected in actions based on perception.

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***Interest:*** The interest of individuals draws more attention and recognition to stimuli. Less attention and recognition lowers the impact of stimuli or objects on behaviour. If employees lack interest, behaviour pattern will be less effective, and the perception will be weak. Managers cannot influence the employees in their work culture. Since individual interests vary from person to person, the perception is also different. However, the management tries to create interest among the employees to have higher perception of the organization.

***Habits:*** Habits die hard and therefore individuals perceive objects, situations and conditions differently according to their habits. Many employees learn quickly. Others are slow in perceiving a stimulus. Some employees are not bothered about the management. They do not perceive the object correctly. Some people work by smoking or chewing pan. Thus, the habits of people have different perception levels.

***Experience:*** The experience of employees results in different levels of perception. A young employee takes time to understand the object and situation. Experienced employees generally understand objects quickly and correctly. However, in contradictory situations, it is difficult to correct aged persons, whereas the young are easily moulded towards achieving the objectives of the organization.

***Expectation:*** Expectations distort perceptions. People see what they expect to see. If they see the object and the situation differently from their expectations, they get frustrated. They are unable to modify their behaviour. The employees may expect more pay and so they perceive the management from that angle. The real stimuli are not properly perceived if expectations exist there on. The management has to evolve expectations for proper perception.

***Learning:*** Learning levels of employees have a great impact on their perceptions. It is an important factor influencing perception formation. Educated persons have higher perceptions than the less educated persons. Attitudes are developed according to the learning levels.

***Personality:*** Personality has different levels of perception. The personality of a perceiving person considerably affects the stimuli transformation behaviour process. Young people perceive objects and situations in the original form. Experienced persons perceive the objects as per their personality levels. Perception influences learning which is a developing factor of personality. The personality has a wider impact on the perception process too. Persons can view objects and situations as per their personality levels. The age, sex, motivation, learning levels, etc. influence perception.

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### External Factors

The perception process is influenced by external factors which may be objects and situations. The external points related to objects and situations have great influence on the perception process. The external factors may be the size, interest, contrast, repetition, motion, familiarity, novelty and others.

***Size:*** The size of the object or stimulus has a greater impact on the perception process because the size influences attention and recognition in a more effective manner. Employees are greatly influenced by tall and well-built managers as compared to the normal-sized individuals. The engineering department pays more attention to big and attractive machines. Big-sized objects have a natural attraction and get more attention.

***Intensity:*** Researchers on human behaviour have revealed that the more intense the stimuli, the higher the attention and recognition in the perception process. A strong- voiced manager has more impact on supervisors and employees. It is observed that managers use voice modulation to get the attention of employees. Bright letters and strong appeal have more impact on people than normal letters and low appeal. More attention results in a higher recognition and behaviour pattern. The intensity varies as per the needs of the organization. The same type of intensity may not be useful for all the situations and objects.

***Contrast:*** Contrasting objects have more impact on behaviour. Employees pay more attention and recognition to contrasting objects and situations. Machines making noises are hardly noticed, but a machine coming to a halt is immediately noticed because of contrast stimuli. Normal communication and performance have less impact than abnormal and contrast communication. The purpose of contrast stimuli is to attract more attention and recognition. However, if the contrast is not helpful in drawing more attention, it should be avoided and more attention-drawing stimuli should be exercised for gaining a real perception of work behaviour.

***Repetition:*** Repeated stimuli have more impact on performances than a single statement. Repetition has the advantage of being attention-catching. When stimuli are waning, repetition generates fresh attention and recognition. Supervisors repeat orders several times to have them followed by employees.

***Motion:*** People pay more attention to the moving objects than to stationary objects. This is just the impact of eyes on the mind. Workers are more attentive towards working machines than stationary machines. The video films of some training programmes create more of an impact on employees than others.

***Familiarity:*** Employees would like to hear and see those programmes with which they are familiar. Training programmes demonstrated in the language of the employees are highly attended and recognised. Examples which are known and easily understood are used for motivating employees.

***Novelty:*** Novel actions get more attention. New ideas and model preaching will draw the attention of the perceiver. Changing jobs reduce monotony. Novel objects and situations are recognised clearly by the perceivers.

***Situations:*** Situations have a great influence on people's perceptions. A favourable work environment develops a positive attitude and work culture because the perception process is easily channelized and rightly directed. The management style and functioning of the organization influences the employee's mental state through attention and recognition. Work relations also have some impact on perception forces.

***Objects:*** Objects are external factors influencing the perceiver because he has no control over them. The physical and internal attributes of objects are influencing factors of perception. The physical and time proximity, complex nature of objects, presentation of messages and the territorial approach of the management have great impact on the perception.

**Internal Factors**

Internal factors are within the personal control of the perceivers. They use these factors when they so desire. They are based on the individual's psychological setup, economic and social background, learning, personality and motivation.

***Psychological setup:*** Factors such as attitude, interest, preferences, likings and other psychological bent of mind distort the perception process. People perceive what they like to perceive because of their attitudinal and mental approaches. These factors are the outcome of not only the self factors of the individuals but their actions and interaction with other people. People working with employees help in the foundation of the psychological setup. One person's problem may be another person's satisfaction. For example, giving a higher bonus is a state of satisfaction to employees, but becomes a problem for managers.

***Economic and social background:*** The employee perceptions are based on economic and social backgrounds. The employee's level of understanding depends upon their economic and social backgrounds. Socially and economically developed employees have a more positive attitude towards development rather than less developed employees. However, developed employees are prone to decision-oriented functions. Conflicts between managers and employees will increase in this case. The problems can be resolved only through proper perception processes.

***Learning:*** The state of learning influences the perception process. Highly educated persons can easily and rightly perceive the management's problem. They cooperate in problem solution. On the contrary, less educated employees are less concerned about the management. They perceive the management as a separate and superior part of the organization, who tend to exploit the labour, irrespective of the reality. People perceive as per their levels of learning. It is therefore essential for the organization to make its employees knowledgeable and educated for their effective performance and behaviour. The learning of managers and workers is a twin requirement.

***Personality:*** The personality of the perceiver as well as the stimulator have an impact on the perception process. The age, sex, race, dress, facial expressions

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and body postures of both the persons have a direct influence on the perception process. If the perceiver is female and the stimulator is male, the perceiver gets some influences only if she prefers males. Otherwise, the perception process will be distorted. The ethnic personalities have some influence on perception. Physical and mental characteristics, work pattern and age similarities affect the perception process.

***Motivation:*** The pattern of motivation in an organization helps to develop perception building. Motivated people have the right perceptions about the stimuli, whereas the loco-profiled workers are doubtful about the message given by the management for the development. The approach of the female managers to problems is given more attention and recognition. Motivational theories have revealed the perception processes of particular categories of employees. Attention is drawn towards their needs, satisfaction and achievement desires. The mental state of motivational desire influences the perception process.

Stimuli based on external factors receives varied degrees of attention and recognition. Internal factors, i.e. factors related to employees and managers, have different degrees of impact on the attention and recognition process while being translated into behaviour which results in performance.

**Organizational Structure**

The perceptual process is influenced by the organizational structure and process. The perceptual structure, perceptual grouping, constancy, context, defence, workplace and process have been recognised as important factors influencing the perceptual process.

***Perceptual structure:*** The organizational structure influences the perception of employees and other people related to the organization. The departmentalisation, decentralisation, delegation of authority and other structural frameworks have important bearings in the mind of employees. An adequate amount of decentralisation makes employees feel that the organization is welfare-oriented. Similarly, too much centralisation gives rise to the feeling of suspicion in the minds of employees. Structure itself becomes a flowchart of perception. Work relations and the decision-making authority provide an important understanding of organizational perception. If the structure is viewed positively by the employees, they willingly contribute to the development of the organization.

***Perceptual grouping:*** The manager generally groups all the stimuli together to influence the employees. The grouping is done based on closure, continuity, similarity and proximity. The closure doctrine of grouping is based on the Gestalt Principle of psychology wherein the individuals perceive the whole object although the whole unit does not exist. For example, the manager perceives that all the members cooperate with him in achieving computerisation, whereas some members really oppose mechanisation. The manager tries to close the disagreement and maintains uniformity in agreement for mechanisation. On the other hand, if the

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members do not withdraw their disagreement, they observe their individual perceptions.

The continuity principle emphasises that the stimuli should continue to make an impact on the perceiver. Discreet stimuli may however distort the perception process. The continuity principle is different from the closure principle as missing stimuli are applied in the latter case, whereas a continuous link is maintained in the former case. It is observed that only continuous and related stimuli are easily attended and recognised. The obvious and continuous flow of stimuli may produce the desired behaviour.

The similarity principle assumes that similar stimuli are easily attended, recognised and perceived. The similarity has its own impact on the employees. For example, employees wearing special clothes at the workplace automatically carry the message of the organization. Similarity in age, sex, education and other characteristics have a direct impact on the employee's perception.

The proximity principle refers to the grouping of the segments into one unit. Nearness of stimuli will be perceived as wholesome for the group. All the stimuli are considered one because of physical proximity. For example, all the employees in one cadre will be considered as one group which is stimulated by the proximity of stimuli. Departmental employees are considered as a single group employees because of proximity. They are motivated on the basis of proximity stimuli.

***Perceptual constancy:*** Perceptual constancy plays an important role in the perception process. The stability and unchangeability of objects help in the constant perception process of people. The constancy of stimuli helps in easy perception because people become accustomed to the stimuli. The size, shape, place and colour of objects and situation are easily observed if they are constant. Constant stimuli make the perception process easy and effective.

***Perceptual context:*** The context of the stimuli with reference to objects and situations has a meaningful impact on the perceiver. If the perceiver has the confidence that the stimuli are relevant to their work and awards, they may pay more attention to the perception process, policies and objectives relevant to employees. Welfare is paid more attention. Verbal communication in the relevant context is given more perceptual consideration.

***Perceptual defence:*** The defensive role of the management is well recognised by the employees. There are many areas where employees develop conflicts which are resolved by the management. Such functions which provide defence to conflicting views are given more importance by employees. People like to defend their professions, work and work relations, if they are satisfied. On the contrary, dissatisfied workers criticise their own work and workplace. Many workers perceive conflicts as not being very serious. They only perceive conflicts as casual and to be expected, without any significant features. Some employees however find conflicts alarming. They react to warning signs and perceive the

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situation differently. Managers can find different perceptions for their actions because they view the situation from the angle of defence.

***Perceptual workplace:*** The perceptual process is affected by the workplace too. The climate temperature, noise, smoke and other factors have a direct bearing on the perception and psychological traits of employees. Consequently, the perceptual process is different for different employees. Some employees develop a positive perception while others develop a negative perception of the workplace. All employees perceive the same situation and object differently because of the varied nature of their workplace.

***Perceptual process:*** The relationship between employees and managers is crucial in the perceptual process. Employees may perceive a low output with pleasure to influence their supervisor. The management has a different perception of performance and evaluation. Some may perceive a self-fulfilling prophecy by the management, when they have too high or too low expectation from employees. High expectation inspires managers to motivate their employees positively. Managers develop subjective attitudes many times about the performance and process. Besides, the employees' efforts are also considered for performance and process valuation. During the work process, some employees are troublemakers and some are loyal. The perceptual process is an important factor for the perception process of management and employees.

### Social Factors

Social conditions have much influence on the perception process. Perceivers and the perceived objects have complex characteristics. They are perceived differently in different situations. The attributes of objects are important considerations influencing the selectivity process of perception. Attributes of objects, the subject, the situations and the perceiver have become so important that a separate theory known as attribution theory has been developed under the perception theory. Social factors consider how one person behaves towards the other person and how other people behave towards him. The interaction between the manager and his subordinates is considered under social factors which include the stereotyping effect, the halo effect, contrast effect and projection.

### Making Judgements about Others or Stereotyping

The perception process takes the shortest method in some cases and considers only routine effects. Stereotype judgement is based on an ideal situation or the type of impression formed about the group. It is the consideration of individual's characteristics as being representative of the whole group. If an employee is found well behaved, the whole group of employees is considered to be good. If, in an organization, a manager is helpful, it is generalised that the organization is very helpful and sympathetic towards employees. It is an inductive method wherein conclusions are aggregated from individual performance; that is, it accumulates particular cases to arrive at general conclusions. Stereotyping is generalisation which has the advantages of being time

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saving, accurate and common. For example, assume that the management has previously found that sportsmen and athletes have been very successful workers in the factory. They were ambitious, hardworking and can easily overcome adverse situations. In future selection process, the management may appoint such sportsmen and athletes without undergoing many selection procedures. Similarly, many decisions are taken on the basis of the stereotyping effect. The generalisation may prove disastrous if it is relied on heavily without proper scrutiny and examination of individual characteristics. The most important stereotyping effects are observed in the form of age, sex, nationality and social status.

The stereotyping effects under social perception consider the attributes, traits and other qualities of a member of a social organization. These qualities are generalised as the qualities of the social organization or group. However, there may be perceptual errors, because the generalised attributes and qualities may not be found in all the cases. Therefore, the perception process takes into consideration the amount of perceptual errors when deriving conclusions based on stereotyping effects. Favourable and unfavourable traits are always calculated and evaluated to find their impact on the behaviour or decision taken. Stereotyping has become an important factor of social perception, which is based on ethnic groups—socio-economic groups, demographic groups and so on. The individual difference in the group is recorded to evaluate the perceptual errors in arriving at stereotyping effects.

The belief factor in stereotyping effects has become an important tool to arrive at certain decisions. One can conclude that an organization has a democratic manager. The common characteristics are the basis of belief. If a manager belongs to the said democratic organization, one can believe that he will also have the same characteristics. The errors may be there in belief because of ignoring variations in characteristics and holding mistaken beliefs. The beliefs or stereotyping effects are modified from time to time to arrive at correct perception behaviour and decisions.

**Check Your Progress**

3. How does attitude affect perception of employees in an organization?
4. What does the continuity principles emphasize?

## 4.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Behaviour is the outcome of the cognitive process. It is a response to change in sensory inputs, i.e. stimuli. It is an overt and covert response.
2. Sensation is the process that allows the brains to take in information via the five senses, which can then be experienced and interpreted by the brain.

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3. The attitude and aptitude of employees influence perception formation. If they have positive attitudes towards the management, they directly perceive the stimuli given by management. In case of negative attitudes, the employees suspect the management's approach.
4. The continuity principle emphasises that the stimuli should continue to make an impact on the perceiver. Discreet stimuli may however distort the perception process.

## 4.5 SUMMARY

- The psychological processes that allow an individual to adjust his behaviour is called perception.
- Perception may be defined as 'a cognitive process by which people attend to incoming stimuli, organise and interpret such stimuli into behaviour.'
- Perception is a process of sensory organs. The mind gets information through the five sense organs, viz. the eyes, ears, nose, tongue and skin.
- The stimulation coming to these organs may be through action, written messages, oral communication, odour, taste, touch of the product and people.
- Sensation occurs thanks to our five sensory systems: vision, hearing, taste, smell and touch.
- The factors influencing perceptions are the perceiver's characteristics, object and situations. However, they can be analysed under specific heads such as the perceiver's characteristics, personal factors, internal factors, organizational structures and social conditions.
- The perceptual process is influenced by the organisational structure and process. The perceptual structure, perceptual grouping, constancy, context, defence, workplace and process have been recognised as important factors influencing the perceptual process.
- The perception process takes the shortest method in some cases and considers only routine effects. Stereotype judgement is based on an ideal situation or the type of impression formed about the group.
- The stereotyping effects under social perception consider the attributes, traits and other qualities of a member of a social organization. These qualities are generalised as the qualities of the social organization or group.

## 4.6 KEY WORDS

- **Perception:** It is the organization, identification, and interpretation of sensory information in order to represent and understand the presented information, or the environment.

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- **Attitude:** It is a feeling or opinion about something or someone, or a way of behaving that is caused by this.
- **Stimuli:** It is a thing or event that evokes a specific functional reaction in an organ or tissue.
- **Stereotyping:** It is a set idea that people have about what someone or something is like, especially an idea that is wrong.

## 4.7 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. What is stereotyping effect?
2. What are the different components of perception?
3. Write a short-note on sensation.

**Long-Answer Questions**

1. Describe the different factors that influence perception.
2. Perception depends on how an individual views the objects and situations. Discuss.
3. Explain how the perceptual process is influenced by the organizational structure and process.

## 4.8 FURTHER READINGS

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# UNIT 5 ATTITUDES AND VALUES

NOTES

**Structure**



## 5.0 INTRODUCTION

In the previous unit, we discussed various concepts related to perception. Now we will turn to attitude and values. To put it simply, attitude may be defined as a tendency to react positively or negatively in regard to an object. On the other hand, value is defined as a concept of the desirable, an internalised criterion or standard of evaluation a person possesses. In the process of understanding individual behaviour within an organization, value and attitude are vital concepts.

## 5.1 OBJECTIVES

After going through this unit, you will be able to:

- Discuss the meaning and nature of attitude
- Describe the functions of attitude
- Explain the meaning and characteristics values

## 5.2 MEANING, NATURE AND CHARACTERISTICS OF ATTITUDE

If you ask someone '*how are you?'* his response would depend upon his attitude towards life. If his attitude towards life is positive, he will say he feels very good and thank God for what he has. If his attitude towards life is negative, he will start complaining about everything that is wrong with the world. Similarly, if you ask someone about his job, you will find him to be very opinionated. He might say he likes his job very much or he might complain about the job bitterly. This would be

a function of his attitude towards his job. Attitude is a collection of the type of personality, feelings towards the outside world, confidence within self and more.

**Characteristics and Components of Attitude**

Attitudes have four basic characteristics—direction, intensity, salience and differentiation. The direction of an attitude is favourable, unfavourable or neutral. We may like, dislike or be neutral in our views about a person, a job or a situation. The intensity of the attitude refers to the strength of the effective component. For example, we may dislike a person but the extent of our disliking would determine the intensity of our attitude towards him. Such dislike may range from weak to strong. In general, the more intense the attitude the more persistent will be such behaviour. Salience refers to the perceived importance of the attitude. Some people may not like to work with computers as they may not perceive it to be as important as a student in computer information systems for whom the knowledge of computers is mandatory for a career. Finally, attitudes can be high or low in differentiation depending upon how strong the supporting beliefs and values of the person are.

**Components of Attitude**

The attitudes, irrespective of what they are, generally consist of three major components. These are:

1. **Evaluative Component**. The evaluative component of attitude is a function of how we feel about something. It refers to our liking or disliking for a particular person, any particular event or any particular situation. Such person, event or situation becomes the focus of our attitude and is known as *attitude object.* For example, you may feel positively or negatively about your boss, about your friend, about the movie you have seen or about anything you happen to see.
2. **Cognitive Component**. Feelings, however, do not simply and automatically develop. Most often they are based on knowledge. For example, if you know that your friend is talking ill about you behind your back, such knowledge would result in negative attitude towards your friend. Similarly, you might believe that your supervisor does not know much about the job. This belief is based upon your knowledge of how the supervisor is handling the job. These beliefs, which may or may not be justified comprises the cognitive component of attitude.
3. **Behavioural Component**. What you believe about something and how you feel about it would determine your behaviour regarding that particular person, event or situation. For example, if you believe that your boss is embezzling company funds, and you feel negatively about it, you are likely to behave with little respect for such a boss. You may either inform his superiors about it or you may want to look for another job. Such predisposition to act in a certain way contributes the behavioural component

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of the attitude. Such a predisposition may not actually predict your behaviour. For example, if your boss is embezzling company funds, you may take some steps or you might simply ignore it by convincing yourself that it does not directly concern you. In other words, your intention to behave in a certain way dictates how you actually do.

Based upon these components, attitudes can be defined as relatively stable clusters of feelings, beliefs and behavioural predispositions. By including the words *relatively stable,* we are referring to something that is not permanent nor fleeting. In other words, once attitudes are formed, they tend to persist and can only be changed by strong outside or inside forces. For example, your attitude towards someone may be negative but may change if situations or circumstances change.

**Attitude and Behaviour**

It is assumed that the relationship between the attitude of a person and his behaviour is causal in nature, meaning that the attitudes that people hold determine their behaviour and what they do. Logic also suggests such a relationship. For example, people watch television programs that they like, that is, their attitude about such programs is positive.

Research conducted in the late sixties concluded that the relationship between attitude and behaviour is, at best, minimal. More recent studies have indicated that there is indeed a measurable relationship if moderating contingency variables are taken into consideration. The moderating variables which have been found to be most powerful include:

- Importance of the attitude
- Specificity of the attitude
- Accessibility of the attitude

Additionally, they have been also linked to existence of any social pressures on the individual and the direct experience of the attitude.

Attitudes that are considered important by the individual tend to be strongly related with behaviour. Similarly, attitudes that are specific are more predictable of behaviour. For example, if someone really likes his job, it can be predicted that he will stay with the company for a longer period of time. Attitudes that are frequently expressed are more reliable and more accessible to the memory and hence greater predictors of behaviour. Social pressures have a strong influence on attitudes and behaviour. For example, a member of a group may not agree with the group on certain issues but may go along, because of the social pressures within the group. Finally, the personal experiences with people and situations affect strongly the attitude and behaviour of a person. Positive experiences result in positive attitudes and negative experiences result in negative attitudes. For example, a student who has taken a course with a professor is in a much better position to evaluate him as compared to someone who has not taken his course.

The relationship between attitude and behaviour is well documented. However, a debate is still going on as to whether the changes in attitudes affect the changes in behaviour or whether the changes in behaviour affect the changes in attitudes. In other words, it is not clear as to which one is the cause and which one is the effect.

### Attitude Formation

The question often arises, 'how are the attitudes and subsequent behaviours formed?' While attitudes are basically learned over the years, some inherited characteristics do affect such attitudes. For example, physical characteristics such as the height of the person. Tall and slim people are expected to dress well and behave in a sophisticated manner. Similarly, intelligence is primarily an inherited trait and it is related to certain behaviours. Intelligent people are considered to be much more logical and this affects their attitude. Religion and religious beliefs can be considered as inherited, as the religion of the child is determined by the religion of his parents and it determines some aspects of individual behaviour, especially those that concern attitudes based on morals, ethics and code of conduct. Similarly, whether a person is born a male or a female determines some stereotype traits such as aggressiveness and physical stamina. Most of the inherited traits are strengthened by learning and experiencing.

While some attitudes are adopted early in life from our family values or cultural environment, most are developed gradually over time through experiences and observations. Some of the learned characteristics responsible for attitude formation are:

**Experiences:** Our personal experiences with people and situations develop our attitude towards such persons and situations. Through job experience, people develop attitudes towards working conditions, salaries, supervision, group dynamics and so on. Similarly, interaction with other people would determine your attitude towards them. A positive interaction with a person would result in a positive attitude towards that person. Many people who are afraid of swimming or horse riding or darkness can trace back this fear to some fearful or negative experiences in these areas in the past.

**Perceptual biases:** Perception is the result of a complex interaction of various senses such as feelings, seeing, hearing and so on and plays an important part in our attitude and behavioural formation. For example, if a manager perceives a subordinate's ability as limited, he will give him limited responsibility. Similarly, we lose many good friends due to our changed perception about them.

**Observation of the other person's attitude:** When we like someone, we try to emulate that person's attitude. For example, when we are impressed by someone keeping calm under stressful circumstances and we appreciate such calmness, we might try to do the same. Similarly, our attitude towards a spiritual person changes if we observe him committing what we consider a sinful act.

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**Association:** Our association with the group we belong to strongly influences our attitude. Our close association with a group would encourage us to be consistent with the attitude of the group. Belonging to an elite group or a religious group would determine some aspects of our attitude. Family association determines our attitudes from the very beginning. There is a high correlation between the parents and the children with respect to attitude in many specific areas. Similarly, attitudes of our peers as we grow older also influence our own attitudes. We make friends with people who share our own attitudes, interests and preferences. Many a times, our parents object to our friendship with persons whom they deem undesirable and encourage us to make friends with those who have an outlook similar to our own.

**Personality:** Personality is a set of traits and characteristics, habit patterns and conditioned responses to certain stimuli that formulate the impression that a person makes upon others and this impression is a function of a person's attitude. This personality may come out as warm and friendly or arrogant and aggressive. From an organizational behaviour point of view, it is believed that people who are open-minded seem to work better than those who are narrow minded. Similarly, people who are extroverts and outgoing are more likely to be successful as managers than those who are introverts.

#### Functions of Attitude

The American psychologist Daniel Katz outlined four functions of attitudes. These are:

- **Adjustment Function:** This function helps individuals adjust to their environment.
- **Ego-Defensive Function:** The ego-defensive function refers to holding attitudes that protect our self-esteem or that justify actions that make us feel guilty.
- **Value-Expressive Function:** Value-expressive attitudes enable the expression of the person's centrally held values.
- **Knowledge Function:** The knowledge function refers to our need which is consistent and relatively stable. This allows us to predict what is likely to happen, and so gives us a sense of control.

### 5.2.1 Attitude Measurement

In social settings, we can judge a person's attitude easily in the sense that we either like or dislike a given attitude. However, at work, it is more difficult to measure the attitude of workers towards work. Such measurement becomes necessary for the management to predict employee behaviour which will affect the quality of work. From the view point of measurement, attitudes may be defined by describing measurement systems that social psychologists use to measure attitudes. The most common and frequently used method of measuring attitude is by simply

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asking people about their attitudes towards various issues, people and factors. This is accomplished by attitude surveys and questionnaires. Generally, bipolar scales are used to measure the attitudes towards a job in terms of liking it or disliking it. However, different scales have been created in order to measure the degree of such liking or disliking.

One of the most commonly used ranking scale is the one which has five categories ranging from most favourable to most unfavourable. Typical categories and their ranks are:

1. Strongly agree
2. Agree
3. Neutral (Undecided)
4. Disagree
5. Strongly disagree

The standard survey for measuring the attitude of the employees generally presents them with a series of statements and questions which also has a rating scale indicating the extent of agreement or disagreement as stated above. Some examples of statements are: 'This management is very fair in dealing with employees' or 'My job makes the best use of my abilities' or 'I know what is expected of me' and so on by totalling the responses on the customized questionnaire, the individual's attitude score can be calculated. The analysis and evaluation of these scores can then be carried out for different teams, work groups, departments or the complete organization.

The results of attitude surveys can sometimes surprise the management. One company management was very happy with the way things were going. Employees were actively involved in divisional decisions and the profitability was very high leading to the assumption that employee morale was very high. The management conducted a small attitude survey in order to confirm their thinking and belief. As a part of the survey, the employees were presented with some of the statements in order to identify their extent of agreement or disagreement. These statements included the following:

- At workplace, your opinions are given importance
- You are encouraged to become a leader if you are willing to do so
- Your personal development has been discussed with you in the period of last six months

The answers were totally unexpected. The results of the survey indicated that disagreement to the first statement was expressed by 43 per cent of the employees, disagreement to the second statement was expressed by 48 per cent of the people and 62 per cent employees expressed their disagreement for the third statement. Based on this survey, the management made some changes to boost the employee morale, especially giving attention to such matters that caused alienation among the employees.

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By using such surveys on a regular basis, the management can get a valuable feedback about the perceptions carried out by the employees with respect to their working conditions. The management can also become aware of the different potential problems that may hit the organization. The diagnosis of these problems is possible at an early stage with such surveys. Once the management is notified of these problems, they can take needful steps in order to rectify these problems and timely actions can be taken in order to avoid any negative consequences.

One of the purposes of such surveys is to determine how variables relate to each other and how changes in one variable are associated with changes in another variable. For example, if we want to find a correlation between how fairly people believe they are being paid and various work-related attitudes such as their willingness to help co-workers. The researchers might find that the more workers feel that they are unfairly paid, the less likely they are to help their co-workers. Such studies can alert the management to take steps to create a more collegial work environment.

**Attitudes and Productivity**

There are two key work attitudes, which determine the importance of attitude-behaviour relationship with respect to productivity. These are job satisfaction and organizational commitment. Equally important are the complex relationships between job satisfaction and job performance.

## 5.3 VALUES AND ATTITUDE

Having an attitude implies the existence of an object towards which an attitude is required. A value, however, is an ideal to which the individual subscribes; it represents a basic conviction that a specific mode of conduct is preferable (in a personal or social sense) to any other, and it is relatively stable and enduring (Rokeach and Ball-Rokeach 1989). Attitude and behaviours are the consequences of adhering to certain values. For example, if a person places high value on gender equality in society, he would exhibit a positive attitude towards both the sexes and behave accordingly. The relationship between attitude and behaviour is sometimes moderated by values. For example, if a person is dissatisfied with both his job and work colleagues (negative attitude), he may not be expected help others in times of need. But if the person possesses a high value for cooperative behaviour, he would go ahead and help others.

An attitude can emerge from a value. A person who places a high premium on honesty is likely to develop a negative attitude towards a person who is dishonest. A person who places high value on justice is likely to have a positive attitude towards a person or a system which takes just and fair decisions. However, sometimes attitudes may bring about a change in values. For example, low job satisfaction (attitude) may, in the long run, change the person's perspectives towards

the importance of quality of work life (value). Therefore, it is imperative to understand what values are and how they affect a person's orientation towards work and the organization.

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## 5.4 VALUES: MEANING, NATURE AND CHARACTERISTICS

Employees have certain values in life. They view life from different angles which are reflected in their work performance. Learning helps them develop high values towards their jobs and the organization. Values refer to the basic convictions which lead to formation of conduct or social preferences. Values are a combination of different attitudes and attributes of individuals. They help employees decide what is right, good, desirable, favourable and so on. One value may be useful for a person, but may not be effective for others. The intensity attribute or value system has relative importance. Values are a code of conduct developed by an individual and the social system. Honesty, self-respect, equality, sincerity, obedience, truthfulness, etc. are various examples of values.

Values are significant in organizational behaviour. Employees behave properly if they give importance to values. Learning may help provide opportunities for development of values. Employees would be aware of what ought to be done or what ought not to be done by giving importance to values. Behaviour is modified only if people are aware of right or wrong things which are the deciding components of values. Learning aims to develop values so that employees can perform and behave properly. Values influence objectives too, because values shape the attitude and behaviour of employees. For example, obedient employees perform efficiently without creating any problems for the management. Disciplined employees feel directed towards objectives. Learning helps employees develop high values and favourable behaviour.

**Sources of Values**

People develop values from different sources, e.g. parents, friends, teachers, society, religion, workplace and national characteristics. Parents are the initiators of values. Mother and father always tell us what is right or what is wrong. They ask their children to do right things and avoid wrong things. Every family has certain values which are inculcated in the children. Brothers and sisters play significant roles in developing values. Parental guidance paves the value system on which children develop their attitude and behaviour. That is why it is said that children of a good family will be good and hard workers. Parents talk about society, friends, nations and work values, and these values are incorporated by children in their attitudes and behaviour.

Friends influence each other to resort to particular behaviour. Good company helps develop good values. Teachers teach several good values to be adopted by

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students. Teachers are real instructors of value to learners. Society has a great impact on shaping the inter-behaviour of people, which provides value formation. Club members encourage different values depending upon their respective characters. Values are learnt and developed through religious factors. God, universe, fortune and suffering are attached to value application in behaviour. For example, righteous behaviour pleases god and vice-versa. A pleased god showers fortune and a displeased god gives suffering, as per several examples of religious and cultural beliefs. Indian society believes that good values are related to godly pleasure which give satisfaction to people. Workplaces teach honesty, responsibility, diligence, endurance and so on. People should be honest and responsible while performing a job. Good values have become strong forces for good behaviour whereas bad values destroy social and economic ties. Misery, suffering and dissatisfaction are associated with bad values. Good values give satisfaction as they help one to perform better. National characters have a great impact on the values exercised by the people. Warring nations have been developing warring and fighting values as real factors for satisfaction. Peace-loving nations develop peace values in people. Based on different sources of value formation, values are different. Learning strengthens good values and avoids bad values through positive and negative reinforcements respectively. The social learning process helps develop varied values.

### Types of Values

Values may be of different types, depending upon their sources of formation, namely family values, economic values, social values, religious values and national values. Family values preach methods of living in a family. The behaviour of family members with each other depends on the values developed. For example, the relationship between parents and children, brother and sister and so on, have certain behavioural values. A father will treat his children affectionately. Similarly, children are expected to honour and respect their parents. There are different family values which are bases of satisfaction and happiness in the family.

Economic values give importance to money, financial resources and property formation. If an employee is unable to develop himself and his family, he has not given due importance to economic values. In the modern age, people recognise economic values more than other values. Economic well-being is considered a symbol of status and satisfaction. Social values refer to the methods of behaviour in society. Social recognition and social satisfaction are related to social values. If a friend helps other friends, he values friendship and selflessness. Religious values are often observed in India where large sections of the people are governed by religious values and acceptances. Religious leaders shape lives of people through the preaching of religious values such as having faith in god, non-interference in others' lives, job fulfilment, being active, non-attachment, etc. The aim of life is told to them and this incorporates several relevant values to shape the behaviour of people. It is also referred to as a terminal value. People practice instrumental

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values for the development of family and society. Values at the workplace are covered under economic values, whereas values of behaviour accepted in the organization are known as instrumental values for achieving satisfaction. National values are preached by national leaders. Mahatma Gandhi preached some significant values to the people of the nation. Truth and non-violence were the two important values preached by him. Different values are attached to particular generations. The modern generation below the age of 30 are freer, leisure-minded, flexible and so on.

Learning programmes should be designed in such a way that the employees can develop high values for corporate development and their satisfaction as well. Instrumental values of honesty, responsibility, ambition, courage and independence may achieve the terminal values of self-respect, security, accomplishment, happiness and self-satisfaction. Older people are conservative, loyal and quality-oriented whereas the younger generation is flexible, leisure-liking and believes in building up relations. Good values are to be explored, initiated and developed for the modification of performance behaviour in an organization. Learning has a great role to play in achieving this objective.

**Check Your Progress**

1. State the four basic characteristics of attitude.
2. What is perception a result of?
3. List some of the different sources of values.

## 5.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Attitudes have four basic characteristics—direction, intensity, salience and differentiation.
2. Perception is the result of a complex interaction of various senses such as feelings, seeing, hearing and so on and plays an important part in our attitude and behavioural formation.
3. People develop values from different sources, e.g. parents, friends, teachers, society, religion, workplace and national characteristics.

## 5.6 SUMMARY

- Attitudes have four basic characteristics—direction, intensity, salience and differentiation. The direction of an attitude is favourable, unfavourable or neutral. We may like, dislike or be neutral in our views about a person, a job or a situation.

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- It is assumed that the relationship between the attitude of a person and his behaviour is causal in nature, meaning that the attitudes that people hold determine their behaviour and what they do. Logic also suggests such a relationship.
- The question often arises, 'how are the attitudes and subsequent behaviours formed?' While attitudes are basically learned over the years, some inherited characteristics do affect such attitudes.
- In social settings, we can judge a person's attitude easily in the sense that we either like or dislike a given attitude. However, at work, it is more difficult to measure the attitude of workers towards work.
- Having an attitude implies the existence of an object towards which an attitude is required. A value, however, is an ideal to which the individual subscribes; it represents a basic conviction that a specific mode of conduct is preferable (in a personal or social sense) to any other, and it is relatively stable and enduring (Rokeach and Ball-Rokeach 1989).
- Values are significant in organizational behaviour. Employees behave properly if they give importance to values. Learning may help provide opportunities for development of values.
- Values may be of different types, depending upon their sources of formation, namely family values, economic values, social values, religious values and national values. Family values preach methods of living in a family.
- Learning programmes should be designed in such a way that the employees can develop high values for corporate development and their satisfaction as well.

## 5.7 KEY WORDS

- **Values:** It refers to principles or standards of behaviour; one's judgement of what is important in life.
- **Learning:** It means the acquisition of knowledge or skills through study, experience, or being taught.

## 5.8 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. How is attitude measured?
2. What is the relationship between values and attitude?

**Long-Answer Questions**

1. Comment on the inter-relationship between attitude and behaviour.
2. Explain the formation of attitude.
3. Describe the various types of values.

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## 5.9 FURTHER READINGS

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## BLOCK - II
## GROUPS AND WORK STRESS IN ORGANISATION

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# UNIT 6 GROUPS IN ORGANIZATION

**Structure**



## 6.0 INTRODUCTION

In general, a number of people together at a given place and given time can be considered a group. People in a bus or the same compartment of a train or students in a class are all known as groups. However, from an organizational point of view, a group has a different meaning and definition. According to Marvin Shaw, 'A group is two or more persons who are interacting with one another in such a manner that each person influences and is influenced by each other person.' There are two key elements in this definition that are essential. First is the 'interaction' among group members. For example, co-workers may work side by side on related tasks, but if they do not interact with each other, they are not a group in the organizational sense. The second element is the influence of one group member on every other group member. This means that the group members are mutually dependent with respect to the attainment of one or more common goals.

## 6.1 OBJECTIVES

After going through this unit, you will be able to:

- Explain the meaning and characteristics of groups

- Discuss the stages of group formation
- Examine the role of groups in decision making

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## 6.2 MEANING AND CHARACTERISTICS OF GROUPS

A group has a certain syntality which is developed further in an organization to achieve group synergy. The origin of groupism has an interesting history. A group is defined as 'two or more interacting and interdependent individuals who have come together to achieve particular objectives'. An individual will be unable to perform all the required activities, and group formation is inevitable to achieve organizational objectives. Groups may therefore be formed and accepted by an organization. Groupism may also be informal, that is, not recognised but functioning in the organization. Sometimes, informal groups are more effective in an organization. Group dynamics is essentially used to increase the productivity and profitability of an organization and group behaviour is different from individual behaviour. Group behaviour helps achieve higher productivity than the sum of individual performances because of group personality which is known as syntality. Groups have a separate identity. They are given more importance in organisational behaviour because group personality or syntality has synergy, i.e. higher output than that of the sum of individual output. A group thinks, decides, sets goals and tries to act upon these to achieve the group goals. Group behaviour has three dimensional studies, viz. the basis of the foundation of the group, intra-group behaviour and inter-group behaviour.

### Group Formation

Group formation has certain objectives. The purpose behind group formation may be task achievement, problem-solving, proximity or other socio-psychological requirements. Group formation is based on activities, interactions and sentiments.

#### *Task Accomplishment*

The basic purpose of group formation is the achievement of certain objectives through task performance. Individuals come closer in order to understand the tasks and decide on the procedures of performance. In any organisation, task accomplishment is the reason for which different groups such as an engineering group, marketing group, foreman's group and personnel group are formed for achievement of the organisations' goals. When an organisation faces some procedural difficulties, concerned groups discuss them and evolve new techniques of production, marketing and other functions.

#### *Problem Solving*

When people foresee or face certain problems, they unite to solve the problems. Unity has strength. A group provides strength to members who are willing to

challenge any problem. Group behaviour gives more strength to come down heavily on problems.

***Proximity***

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People form groups because of proximity and attraction towards each other. The group formation theory is based on propinquity, which means that individuals affiliate because of spatial or geographical proximity. They interact frequently with each other on many topics, because this interactive communication is rewarding.

***Socio-psychological Factors***

Sentiments and action-uniformities bring people closer. They also form groups for safety, security and social achievements. People cooperate with members of the group on social as well as economic grounds to reach satisfactory levels.

People form groups basically for activities, interaction and due to sentiments. People living in proximity frequently discuss their problems. They try to reduce their tensions and achieve satisfaction. Individuals interest each other only when they have common attitudes and sentiments. People with diverse attitudes form groups under certain compulsions to meet unexpected problems. Employees form unions to ensure the safety and security of jobs. Outside the factory, they form groups for religious, social, cultural and political activities.

## 6.3 REASONS FOR FORMATION OF GROUPS

There are two theories of group formation, i.e., functionalist theory and interpersonal attraction theory. The first focuses on the functionality of the group aimed at achieving collective goals and the second emphasizing on the human need for social interaction.

Sigmund Freud believed that groups form and continue because of the need for affiliation and power.

Lewin held that group was a function of inter-related factors of the individual and the group.

Interaction theory views the group as a system of interacting individuals that produce three elements; activity-interaction-sentiment. This holds that you look at each to understand group behaviour.

The systems theory adopts a position similar to interaction but adding the elements of positions and roles along with inputs and out puts.

Sociometric orientation emphasizes interpersonal choices among group members and the focus is on morale and performance and their dependence on the group

Psychoanalytic orientation focuses on the drives of the individual and is concerned about the motivational and defensive processes of the individual as related to the group.

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General Psychology orientation attempts to extend the theoretical analyses of individual behaviour to group behaviour.

Empirical-statistical orientation holds the basic concepts of group theory can be discovered through the application of statistical analysis of data about individuals.

Formal and informal groups are formed in organizations for different reasons. Formal groups are sometimes called official or assigned groups and informal groups may be known as unofficial or emergent groups. Organizations routinely form groups. If we assume that management decisions are rational, groups must benefit organizations in some way. Presumably, the use of groups can contribute to achieving and maintaining a sustainable competitive advantage. Groups can do this if they enable an organization to fully tap the abilities and energy of its human resources. Furthermore, with regard to informal groups, people form groups to meet their individual needs.

**(i) Performance**

Group effort can be more efficient and effective than individual efforts, because it enables the employees to specialize in and contribute to a variety of strengths. Organizations structure employees into functional and task groups so that they can develop and apply expertise in particular functions, products, problems or customers. The other factor contributing to performance is motivation, and groups can enhance this as well. When employees work in groups, the group is an important force for creating and enforcing standards for behaviour.

**(ii) Cooperation**

Carrying out an organization's mission is something no person can do alone. However, for several people to accomplish a mutual goal, they must cooperate. Group dynamics and characteristics can enhance cooperation among employees, especially when members identify themselves as a group and are rewarded for group success.

**(iii) Satisfaction**

If satisfaction improves motivation (and therefore performance), organizations as well as individual employees can benefit from employees' satisfaction derived from group membership. A major source of this satisfaction is that people have a need of being with others and being liked by them. The way people satisfy this category of needs is by participating in groups focusing on social activity. Group membership may also be a means of satisfying their need for security, power, and esteem.

### 6.3.1 Stages of Group Formation

Group development has been studied to find out the purposes behind development. Different groups require different lengths of time for development. The development structure is heavily influenced by the nature of groups. The various stages of group development are forming, storming, norming, performing and adjourning. All the groups may not accept the same order of group development.

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The *first stage* is *forming*, wherein the group decides its own purpose, structure and leadership. Members decide what types of behaviour are acceptable. The membership is increased till the group is finally established. Individuals are brought together for the first time and a communication pattern is developed. The interdependence of members is decided as per the structure and goals of the group. They decide on plans of future action involving discussions on formulation of group goals and evaluating the resources for achieving the goals.

The *second stage* of group development is *storming*, wherein members storm their views. They put forth their views forcibly with strength, and this evidences interpersonal conflicts. Many problems are brought to the group for discussion and solution. Many conflicting views may be expressed. Authorities and supervisors are frequently criticised for various reasons. However in an educated group, people consider the views of others with patience. They arrive at unanimous decisions with constructive attitudes. A group develops syntality and gets synergy if the storming stage is actively smoothened. On the contrary, the group will not advance if the members continue storming and conflicting with each other.

The *third stage* of group development is *norming*, wherein members develop a close relationship and demonstrate cohesiveness. Members enjoy belonging to the group and develop synergy. A strong sense of group identity and a camaraderie is developed. The group structure is solidified and interpersonal relationships are developed with increased cohesiveness and sharing of ideas. It increases the positive behaviour and strong feeling of development among members.

The *fourth stage* is the *performing* stage. The group performs its functions to achieve the desired objectives. It is fully functional and operational. This stage is directed towards the accomplishment of group goals. It explores the action to be taken and decides on innovations. Satisfactory performances and achievement of group goals are observed under this stage.

The *fifth stage* is the *adjourning* stage of development when the group is dissolved. The adjournment stage is generally undertaken after completing the task, although the group may be adjourned even before completing the task, due to misunderstanding and storming. Mutual friendship is lost, depression is observed and the group is wrapped up with activities. Such adjournment is undesirable for both individuals and the organisation. The group objectives should be fulfilled before adjournment. Leaders play a great role in the continuation and adjournment of the group. Dynamic leaders always try to review and strengthen the group activities for the development of their people.

**Check Your Progress**

1. How is group behaviour a three dimensional study?
2. List the various stages of group development.

## 6.4 TYPES OF GROUPS

Groups can be either formal or informal. Let us discuss both types of groups.



### Formal Groups

A formal group is set up by the organization to carry out work in support of the organization's goals. In formal groups, the behaviour that one should engage in are stipulated by and directed towards organizational goals. Examples include a bookkeeping department, an executive committee and a product development team. The formal group may be a command group or a task group.

**(i) Command group**

A command group comprises a manager and the employees who report to him or her. Thus, it is defined in terms of the organization's hierarchy. Membership in the group arises from each employee's position in the organizational chart.

**(ii) Task group**

A task group comprises employees who work together to complete a particular task or project. A task group's boundary is not limited to its immediate hierarchical superior. It can cross-command relationships. An employee's membership in the group arises from the responsibilities delegated to the employee—that is, the employee's responsibility to carry out particular activities. The task group may be temporary with an established life span, or it may be open ended.

### Informal Groups

An organization's informal groups are groups that evolve to meet social or affiliation needs by bringing people together based on shared interests or friendship. Thus, informal groups are alliances that are neither formally structured nor organizationally determined. These groups are natural formations in the work environment that appear in response to the need for social contact. Many factors explain why people are attracted to one another. One simple explanation is proximity; when people work near one another every day, they are likely to become friends. That likelihood is even greater when people share similar attitudes, personalities or economic status.

**(i) Friendship groups**

Groups often develop because the individual members have one or more common characteristics. These formations are known as friendship groups. Social alliances, which frequently extend outside the work situation, can be based on similarities age, political view, education, etc.

**(ii) Interest groups**

People who may or may not be aligned to common command or task groups may affiliate to attain a specific objective with which each is concerned. This is an interest group.

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**(iii) Reference groups**

Sometimes, people use a group as a basis for comparison in making decisions or forming opinions. When a group is used in this way, it is called a reference group. Employees have reference groups inside or outside the organization where they work. For most people, the family is the most important reference group. Other important reference groups typically include co-workers, friends and members of the person's religious organization. The employee need not admire a group for it to serve as a reference group. Some reference groups serve as a negative reference; the employee tries to be unlike the members of these groups.

**(iv) Membership groups**

When a person belongs to a group (formal and informal groups to which employees actually belong) the group is called a membership group (or affiliation group) for that person. Members of a group have some collective benefits and responsibilities that go beyond the group serving as a reference point. In a membership group, each member would be expected to contribute to the group's well-being and would enjoy the benefit arising from the group member's friendship.

## 6.5 GROUP NORMS

Norms are shared ways of looking at the world. Groups control members through the use of norms. A norm is a rule of conduct that has been established by group members to maintain consistency in behaviour. Norms tell members what they should and should not do under certain circumstances. From an individual's standpoint they tell what is expected of you in certain situations. Norms differ among groups, communities, and societies, but they all have norms.

According to Hackman, norms have the following characteristics:

(i) Norms summarize and simplify group influence processes. They resolve impersonal differences in a group and ensure uniformity of action.

(ii) Norms apply only to behaviour, not to private thoughts and feelings.

(iii) Norms are usually developed gradually, but the process can be shortened if members so desire.

(iv) Not all norms apply to everyone. High-status members often enjoy more freedom to deviate from the 'letter of the law' than do other members.

**Types of Norms**

Norms are unique to each work group. Yet, there are some common classes of norms that appear in most work groups.

(i) ***Performance-related processes:*** Work groups typically provide their members with explicit cues on how hard they should work, how to get the

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job done, their level of output, etc. These norms deal with performance-related processes and are extremely powerful in affecting an individual employee's performance.

(ii) ***Appearance factors:*** Some organizations have formal dress codes. However, even in their absence, norms frequently develop to dictate the kind of clothes that should be worn to work.

(iii) ***Allocation of resources:*** These norms cover pay, assignment of difficult jobs, and allocation of new tools and equipment.

(iv) ***Informal social arrangement:*** These norms can originate in the group or the organization and cover pay assignment of difficult jobs, and allocation of new tools and equipment.

**Factors Influencing Conformance to Norms**

As a member of a group, you desire acceptance from the group. Due to your desire for acceptance, you are susceptible to conforming to the group's norms. Considerable evidence shows that groups can place strong pressures on individual members to change their attitudes and behaviours to conform to the group's standard. However, conformity to norms is not automatic. It depends on the following factors:

(i) ***Personality factors:*** Research on personality factors suggests that the more intelligent are less likely to conform than the less intelligent. Again, in unusual situations where decisions must be taken on unclear items, there is a greater tendency to conform to the group's norms. Under conditions of crisis, conformity to group norms is highly probable.

(ii) ***Situational factors:*** Group size, communication patterns, degree of group unanimity, etc., are the situational factors influencing conformity to norms.

(iii) ***Intragroup relationships:*** A group that is seen as being creditable will evoke more compliance than a group that is not.

(iv) ***Compatible goals:*** When individual goals coincide with group goals, people are more willing to adhere to group norms.

## 6.6 GROUP COHESIVENESS

Groups are a pervasive part of modern life. We are members of many different groups. Although every group is different, possessing its own unique attributes and dynamics, it is also true that in many important ways groups tend to display similar patterns of evolution. Formal and informal groups are formed for various reasons. Some of the reasons involve the need for satisfaction, proximity, attraction, goals and economics. The closeness or commonness of attitude, behaviour and performance makes groups cohesive.

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Formal and informal groups seem to possess a closeness or commonness of attitude, behaviour and performance. This 'closeness' or 'commonness' is called 'cohesiveness'. Cohesiveness is a force that acts on the members to remain in a group and is greater than the forces that work on members to pull them away from the group. Highly cohesive groups comprise individuals who are motivated to be together. Group cohesiveness is the extent to which a group is committed to remaining together; it results from 'all forces acting on the members to remain in the group.' The forces that create cohesiveness are attraction to the group, resistance to leaving the group and motivation to remain a member of the group. There are a number of reasons for groups to be cohesive. Some of them are given below:

(i) The goals of the group and the members are compatible and therefore individuals are attracted towards groups.

(ii) The group has a charismatic leader who is well respected and admired by his followers.

(iii) Members get support from other group members and are helped by other members to overcome obstacles and barriers.

(iv) The group is small enough to enable members have their opinions heard and are evaluated by others.

The concept of group cohesiveness is important for understanding groups in organizations. From the organization's point of view, the degree of cohesiveness in a group can have either positive or negative effects depending on how group goals match up with those of the organization. If the group is highly cohesive but its goals are not compatible with the organization then group behaviour will be negative. Therefore, from the point of the organization, it may sometimes be desirable to alter the cohesion of a work group; for example, if the group goals are compatible with organizational goals then the managers must increase cohesiveness as higher the group cohesiveness, the more beneficial is its effect on the organization. However, when group goals counter those of the organization, managers must take steps to decrease group cohesiveness. Here, it should be noted that attempts to alter the cohesiveness of any group may not work and may even backfire on the organization. Therefore, managers should exercise great care in making decisions about attempting to influence the cohesion of work groups.

Successful groups reach their goals more often and this increases group cohesiveness. It should also be noted that a successful group becomes more cohesive and this increases the possibility of success.

## 6.7 DECISION MAKING AND THE GROUP

There are many situations that suddenly come up as ill-structured problems that are unlikely to be solved by a single individual. In such situations where the problem is unique and complex, the manager may assign the responsibility to a group of

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experts to look at the problem objectively and come up with recommendations. The group decision would become particularly appropriate for non-programmed decisions because these decisions are complex and few individuals have all the knowledge and skills necessary to make the best decision. It is often argued that groups can make higher quality decisions than individuals.

According to Gary John, here are three assumptions that from the basis for this argument. These are:

***Groups are more vigilant than individuals:*** Because of natural constraints, any single individual cannot look at all possible angles of a complex problem and thus he may miss an important aspect of the issue. But if there are more members looking at the same problem then it is more likely that someone among the group has thought of or looked at that particular aspect. This is especially important at problem identification and information search stages.

***Groups can generate more ideas and develop more alternative solutions than individuals:*** Members of the group come from different backgrounds with different experiences and outlooks, so that it is more likely that someone will come up with an idea that others had not thought of before. Also, by listening to each other's ideas, the group members may develop new ideas based upon such information and come up with a unique solution that no single member could conceive. For example, in college environment, in a course evaluation and development programme, students, faculty and administrators are included in the group to discuss the issues and develop various viewpoints.

***Groups can evaluate ideas better than individuals:*** This again is a result of various and diverse viewpoints presented by the members of the group. Because individuals can sometimes become emotional when making decisions, it is possible that bias would be introduced into the decision if it was made by one person. Different persons can check for bias and evaluate ideas on a more objective basis so that decisions would be made on the basis of facts and rationality rather than sympathy and emotionalism. This view is expressed by Argyris as follows:

"Groups are valuable when they can maximize the unique contribution of each individual. Moreover, as each individual's contribution is enhanced, his or her commitment to the resulting decision is increased or internalised."

### When to Use a Group

While groups are very useful in solving certain types of problems, not all types of problems are better solved by groups. Hence some factors must be taken into consideration in determining whether the decision making process should be initiated by the group or not. The question is, what criteria can be used to help determine whether or not to use a group?

There are basically two major criteria to be considered. One of these is the quality of the decision. Quality refers to the degree of usefulness of the decision. This is based upon objective analysis of facts and data. This ensures that the

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problem is rationally looked at from all possible angles and a solution is arrived at that is consistent with the organizational goals and policies and that is feasible and optimal. The second criterion is that of acceptability. Acceptability of decision refers to feelings, needs and emotions of those who implement such a decision or who are affected by it. The ideal decision would be high on both criteria.

These two criteria may be interdependent or may be totally independent of each other. Some decisions are only concerned with quality such as a technical or a scientific problem where the employees are not expected to be emotionally involved with the outcome. An example would be devising a new technical method of operations where the employees are not affected at all. Some issues on the other hand involve only the criterion of acceptance. For example, who works overtime is an issue of acceptance by the employees. Decisions regarding increase in the productivity, automation, reducing absenteeism, are all decisions where both quality and acceptance are to be considered. For example, extremely harsh measures to reduce absenteeism may not be accepted by employees unless it is decided by a group that includes employee representatives. Accordingly, when acceptance is critical, the management should seriously consider using a group for the decision making process.

### 6.7.1 Individual and Group Decision Making

While the composition of the group is very important for effective decision making, the presence and behaviour of a responsible group leader is the key element in steering the group discussion and participation. The group leader is in a critical position to affect the quality and acceptance of the decision. Whether he is elected by the group or appointed by the management, his role is highly responsible in setting the direction of the group discussion. A good leader of the group would not dominate the discussion but generally guide the members towards the established goals as well as moderate the discussion. He develops a kinship with the members and is always sympathetic to the members input. There are some basic characteristics of a good group leader whose attention and guidance would determine the success of the group function. These basic characteristics fall into two broad categories.

First category consists of task characteristics that deals primarily with the operations of the group and the second category is that of maintenance characteristics that deals with the human aspect of the group. These characteristics are explained as follows:

#### Task Characteristics

1. The leader of the group must define the problem clearly and carefully and bring it to the attention of the group members so that each member becomes fully conversant with the issues at hand. He should initiate the discussion and may suggest a procedure for finding a solution.

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2. He should have the ability to make every member feel comfortable about the situation and the problem at hand and should seek relevant information from group members who may not volunteer information unless asked. He must encourage every member to express his opinions freely.
3. The leader should have the ability and the knowledge to provide answers to any questions, clarify interpretations of the data presented and guide the members to the central point of discussion if the discussion becomes tangential from varying interpretations of the same data.
4. The leader should offer his personal opinions for consideration, but he should not excessively emphasise his viewpoint or assume the role of a dictator. He should be willing to compromise, if necessary, for the sake of group cohesion.
5. The leader should remain in continuous touch with the group so as to be aware of the progress at any given moment. At the end of the discussion, a leader should be able to summarise the ideas presented and propose a conclusion to the group to accept, reject or modify.

**Maintenance Characteristics**

1. The leader should be fair and friendly to all the group members and maintain a rapport with them by showing concern for their contribution and recognition.
2. He should be skilled in interpersonal relations so that he is able to sense the mood of the group and share in that mood. He should try to settle disagreements in a harmonious manner. This should result in reducing the tension in the group environment.
3. He must be willing to give in wherever necessary. This would improve group cohesiveness, respect for the leader and maintain an atmosphere of harmony.
4. The leader should be open minded and flexible. He should keep the lines of communication with members open so that the members are free to express their ideas openly and with confidence, expecting that their ideas would be taken seriously.

**Check Your Progress**

3. What are the two types of formal groups?
4. What is the role of the leader in decision-making within a group?
5. What is group cohesiveness?

## 6.8 ANSWERS TO CHECK YOUR PROGRESS QUESTION

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1. Group behaviour has three dimensional studies, viz. the basis of the foundation of the group, intra-group behaviour and inter-group behaviour.
2. The various stages of group development are forming, storming, norming, performing and adjourning.
3. The formal group may be a command group or a task group.
4. The leader of the group must define the problem clearly and carefully and bring it to the attention of the group members so that each member becomes fully conversant with the issues at hand.
5. Formal and informal groups seem to possess a closeness or commonness of attitude, behaviour and performance. This 'closeness' or 'commonness' is called 'cohesiveness'.

## 6.9 SUMMARY

- A group is defined as 'two or more interacting and interdependent individuals who have come together to achieve particular objectives.
- The purpose behind group formation may be task achievement, problem-solving, proximity or other socio-psychological requirements. Group formation is based on activities, interactions and sentiments.
- There are two theories of group formation, i.e., functionalist theory and interpersonal attraction theory. The first focuses on the functionality of the group aimed at achieving collective goals and the second emphasizing on the human need for social interaction.
- The various stages of group development are forming, storming, norming, performing and adjourning. All the groups may not accept the same order of group development.
- Groups can be either formal or informal. A formal group is set up by the organization to carry out work in support of the organization's goals.
- An organization's informal groups are groups that evolve to meet social or affiliation needs by bringing people together based on shared interests or friendship. Thus, informal groups are alliances that are neither formally structured nor organizationally determined.
- A norm is a rule of conduct that has been established by group members to maintain consistency in behaviour.

- Formal and informal groups seem to possess a closeness or commonness of attitude, behaviour and performance. This 'closeness' or 'commonness' is called 'cohesiveness'.
- There are many situations that suddenly come up as ill-structured problems that are unlikely to be solved by a single individual. In such situations where the problem is unique and complex, the manager may assign the responsibility to a group of experts to look at the problem objectively and come up with recommendations.

## 6.10 KEY WORDS

- **Group:** It refers to a number of people or things that are located, gathered, or classed together.
- **Formal group:** It is set up by the organization to carry out work in support of the organization's goals. In formal groups, the behaviour that one should engage in are stipulated by and directed towards organizational goals.
- **Command group:** It comprises a manager and the employees who report to him or her.
- **Motivation:** It can be defined as a general desire, need or want that generates the energy required for someone to behave in a specific manner.

## 6.11 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. What do you understand by group formation?
2. Differentiate between formal and informal groups.
3. List the different types of norms.

**Long-Answer Questions**

1. Discuss the different stages of group formation.
2. Discuss the advantages and disadvantages of group decision-making.
3. 'Groups control members through the use of norms'. Elaborate.

## 6.12 FURTHER READINGS

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# UNIT 7 WORK STRESS

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**Structure**



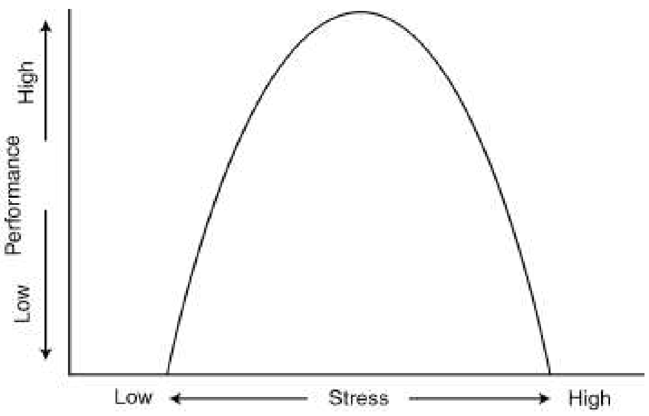
## 7.0 INTRODUCTION

Stress is a state of mind that reflects certain biochemical reactions in the human body and is projected by a sense of anxiety, tension and depression and is caused by such demands by the environmental forces or internal forces that cannot be met by the resources available to the person. The intensity of such demands that require a readjustment of resources or operational styles would determine the extent of stress. Such environmental events or conditions that have the potential to induce stress are known as 'stressors'.

Medical researcher Hans Selye first used the term 'stress' to describe the body's biological response mechanisms. He defined stress as 'the nonspecific response of the body to any demand'. It must be understood that for the stress to occur, the response should be non-specific. All responses require utilization of energy. Any demand made on the body that is for some specific activity that is natural, expected and a part of daily routine, does not necessarily create stress. Even walking, thinking, writing and doing physical activities that are a part of personal and organizational existence, require energy consumption of the body but are not necessarily stress producing forces.

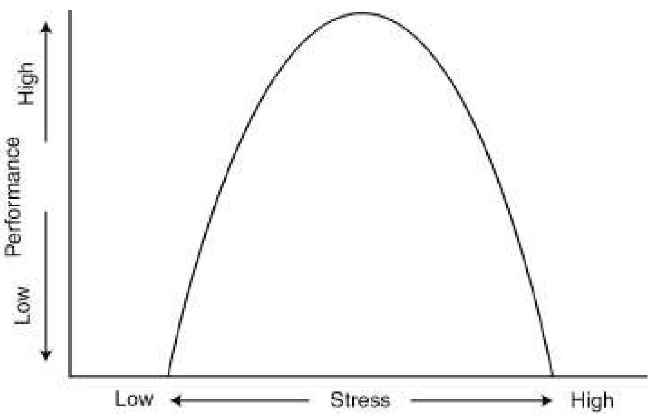
Stress does not necessarily occur due to undesirable developments. All situations that produce increased demand on a vital activity requiring adaptation to a new situation, produce stress in the form of a stereotyped pattern of bio-chemical, functional and structural changes in the human organism. These situations could be fear, pain, fatigue, emotional arousal, humiliation, frustration, need for concentration, loss of blood, drugs, loss of a loved one, non-occurrence of an expected event and even unexpected successes that require a change in the operational style.

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***Source:*** *Henry L. Tossi, John R. Rizzo and Stephen J. Carroll, Managing Organizational* Behavior*, Ballinger Publishing Co., 1986, p. 296.*

The stress created by desirable and successful events is called 'eustress' and the stress created by undesirable outcomes is known as 'distress'. It is primarily the distress form of stress that requires examination and steps to cope with it. Eustress is a positive, healthy and developmental stress response. Thus, just as tension on muscles causes them to strengthen, some level of stress may lead to better performance and a more adjusted personality. Since we learn how to deal with our problems better, it improves our capacity to confront distress better. However, even though some levels of stress are necessary for psychological growth, creative activities and the acquisitions of new skills such as learning to drive a car or learning the use of a computer, it is the highly stressful situations that weaken a person's physical and psychological capacity to cope with the stressors that have dysfunctional consequences. Just as high level stress is damaging to the physical and psychological well-being of the person, extremely low levels of stress are equally undesirable for they cause boredom, and result in lack of stimulation, innovation and challenges. Thus, moderate level of stress is necessary for higher level of performance. The following diagram shows the relationship between the level of performance and degree of stress.




***Source:*** *Henry L. Tossi ..... See second revised edition.*

## 7.1 OBJECTIVES

After going through this unit, you will be able to:

- Explain the concepts of 'good' stress and 'bad' stress
- Understand why some stress has positive effects on performance
- Know the symptoms of stress both in physiological and psychological terms
- Evaluate various forms of stress
- Analyse some of the sources of stress, both organizational factors, as well as personal factors
- Discuss the consequences of job stress
- Establish the relationship between stress and performance
- Describe how to cope with stress including organizational strategies for coping with stress

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## 7.2 CAUSES AND FACTORS OF STRESS

The general adaptation syndrome refers to a general development of responses to stressful events in the form of physiological, psychological and behavioural responses believed to follow a fairly consistent pattern and consists of three stages. The first stage is known as 'alarm' stage and it occurs at the first sign of stress. It results in physiological changes in the body as a warning and preparation against stress. During this initial stage, muscles become tense, blood pressure rises, pupils dilate and there is increase in hormone flow such as adrenaline from endocrine glands. The second stage in bodily responses is that of resistance. In this stage, the body's energies tend to resist the stress so that the physiological and psychological equilibrium can be maintained. If this resistance is successful then the stress will disappear. However if the stress is of a high degree and continues long enough, then the body's capacity for adaptation becomes exhausted. In this third stage of exhaustion, the person is unable to cope with the stress and the individual experiences physical and mental pressures that result in such illness as continuous headaches, ulcers and high blood pressure. It is this last stage that presents the greatest threat to the individual's well-being.

**Stress Responses**

As mentioned briefly above in the general adaptation syndrome, the process of stress elicits three types of responses. These are physiological, psychological and behavioural responses.

**Physiological Responses**

As soon as stress appears, the brain reacts and immediate biochemical changes take place in heart beat and heightening of practically all the senses. The long

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terms physiological effects are more disturbing. Serious health problems occur as body confronts stress over a long period of time. The stress could lead to breakdowns in the body's immune systems and may result in serious health problems such as high blood pressure, ulcers and heart attack. In general, according to Baron, 'taking all evidence into account though, it seems reasonable to conclude that high level of stress can result in physical changes that threaten our health and well-being'.

**Psychological Problems**

There are some people who can handle stress better than others. People who tend to be highly affected by stress tend to be depressed and lack self-confidence and self-esteem. They tend to believe that they are helpless and elicit sympathy from others. They have greater fear of the unknown and an increased sense of futility, tension and neurotic tendencies. They become irritated quickly, are impatient and tend to blame everybody else for their own problems. They are more worried about their job security and their job commitment is very low.

**Behavioural Changes**

According to Cohen, people under constant stress behave differently as compared to people who are emotionally well-balanced. Stress is usually associated with increased use of alcohol, smoking, eating and sometimes drugs. People under stress may gain weight and thus behave differently. Their behaviour becomes highly defensive or highly aggressive towards others and inter-personal relationships are highly affected. Stress induces irritation and lack of patience and these elements are exhibited in behavioural patterns. The person may become an introvert, may withdraw from social situations and may avoid communication with others resulting in social isolation.

**Basic Forms of Stress: Frustration and Anxiety**

Frustration is a form of behaviour that occurs when a person wishes to achieve a certain objective or pursue a certain course of action, but is prevented from doing so. It refers to an obstruction or impediment to goal oriented behaviour. Examples of frustration include a salesman continuously failing to make a sale, a professor continuously applying for a promotion and failing to get it or inability to get subordinates to act according to our wishes. There are several factors that cause frustration. First is the unnecessary delay in achieving the goal, even when the goal is eventually available. Delay in getting a promotion, delay in finishing a report and even waiting for a friend after the due time can cause frustration. The second factor causing frustration is the lack of resources. Sometimes the goals are not achieved because individuals lack the physical, personal or interpersonal resources. A professor who is burdened with administrative duties and does not get enough time to do research that is necessary for promotion may become frustrated because of such time constraints. The third cause of frustration may be the actual failure in achieving the goal. A lost client, a poor evaluation by superiors, failure in the exam

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or failure to get a promotion are all causes of frustration that are manifested in stress.

A second form of stress is the 'anxiety' which is a feeling of inability and helplessness in formulating appropriate responses or plans for dealing with the anticipated negative outcomes. It occurs when a decision has to be made but the outcome of the decision could have positive as well as negative consequences. For example, should you cheat in the exam or not, not knowing whether you will get through or get caught? These are some anxious moments. Anxiety also occurs when all your options result in undesirable consequences. For example, if you are working with a company for a long time and have built roots in the community where you live and your company is moving to a different far off location and you have the choice of either moving with the company or losing the job. Both of these alternatives make you feel uncomfortable and hence become a cause of anxiety. What causes anxiety in work environment? According to Hammer and Organ:

'Difference in power in organization which leave people with a feeling of vulnerability to administrative decisions adversely affecting them, frequent changes in organizations, which make existing behaviour plans obsolete, competition, which creates the inevitability that some persons lose 'face', esteem and status, and job ambiguity (especially when it is coupled with pressure). To these may be added some related factors, such as lack of job feedback, volatility in the organization's economic environment, job insecurity and high visibility of one's performance (success as well as failure). Obviously, personal non-organizational factors come into play as well, such as physical illness, problems at home, unrealistically high personal goals and estrangement from one's colleagues or one's peer group'.

Accordingly, there are a number of factors, both organizational as well as individualistic, that cause frustration and anxiety.

### 7.2.1 Sources of Stress

There are two major sources of stress. These are organizational sources and personal sources. Both these categories are considered in detail as follows:

#### Organizational Factors

Almost every aspect of work can be a stressor for someone. Even though there are many factors in the work environment that have some influence on the extent of stress that people experience at the job, the following factors have been shown to be particularly strong in inducing stress.

***Stressors intrinsic to the job:*** The nature of the job itself can determine the type and degree of stress that can be induced. Some jobs lead to more stress-related responses than others. For example, such jobs as that of a police officer, or air traffic controller are often considered to be low-stress jobs.

In general high stress occupations are those in which the employees have little control over their operations, work under time constraints and have major

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responsibilities for human or financial resources. Persons working under threatening working conditions such as temperature extremes, pollution, uncomfortable lighting and ventilation and loud noise are also vulnerable to high stress.

According to one study, some of the high-stress jobs are: foreman, manager, inspector, waitress or waiter and clinical lab technician. On the contrary, some of the low stress jobs are: college professor, personnel worker, craft worker, farm labourer and so on.

Studies conducted by Karasek and his colleagues at Columbia University showed a higher risk of coronary disease as a consequence of stress in some jobs and less in others. They identified two job factors that affect the level of such risk. These factors are the 'level of psychological demand' and the 'level of decision control' over work. People with high psychological demands and low decision control are constantly under pressure, for they must meet the demands imposed upon them without having any say in it. For example, a waitress in a restaurant must wait on the customer as well as depend upon the cook. She is subjected to demands both by the customer as well as the cook with no control over it and thus is subjected to high pressure and risk. According to this study, some of the jobs are categorised as follows:

(a) Low psychological demand/low decision control: Some of the jobs in this category are: janitor, night watchman, truck driver, billing clerk and so on.

(b) Low psychological demand/high decision control: The jobs in this category are: auto repair man, sales clerk, peddler, scientist and so on.

(c) High psychological demand/high decision control: This category contains jobs such as: sales manager, bank officer, physician, school teacher and so on.

(d) High psychological demand/low decision control: These jobs carry maximum strain and are those of: waitress, telephone operator, cook, assembly line worker and so on.

***Role ambiguity:*** A role is a set of activities associated with a certain position in the organization or in the society. According to Kahn, if these work activities are ill-defined, then the person who is carrying out these activities will not behave as others expect him to, because his role is not clearly defined. Thus, when there is a lot of uncertainty regarding job definitions or job expectations, then people experience role ambiguity.

Role ambiguity is particularly strong among managerial jobs where responsibilities are more general in nature and role definitions and task specifications are not clear. This role ambiguity is especially prevalent among companies that have merged or acquired other companies while keeping the employees. Thus employees become uncertain of what exactly they are supposed to do and exactly

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whom they should report to. This role ambiguity causes stress. French and Caplan, summarised their study findings as follows:

'In summary, role ambiguity, which appears, to be widespread, (1) produce psychological strain and dissatisfaction, (2) leads to under-utilization of human resources, and (3) leads to feeling of futility on how to cope with the organizational environment.'

***Role conflict:*** Role conflict occurs when two or more persons have different and sometimes opposing expectation of a given individual. Thus there are two or more sets of pressures on the individual so that it is not possible to satisfy all of them. In other words, role conflict occurs when contradictory demands are simultaneously placed upon an employee. For example, an architect may be expected to produce creative designs, while on the other hand, there may be time constraints put upon him, both roles being in conflict with each other. Similarly, a contractor may ask a carpenter to do something that may be different than what the city building code prescribe, thus causing a role conflict.

Another type of role conflict is the inter-role conflict where an individual plays more than one role simultaneously in his life and the demands of these roles conflict with each other. For example, a father may know that his son has committed a crime but does not inform the police or a police officer may be invited to his brother's wedding party where the guests use drugs that is against the law.

Studies conducted by Robert Kahn and his colleagues at the University of Michigan regarding role conflict, lead to the following conclusion:

'Contradictory role expectations give rise to opposing role pressures (role conflict), which generally have the following effects on the emotional experience of the focal person: intensified internal conflicts, increased tension associated with various aspects of the job, reduced satisfaction with the job and its various components, and decreased confidence in superiors and in the organization as a whole. The strain experienced by those in conflict situations leads to various coping responses such as social and psychological withdrawal (reduction in communication and attributed influence) among them.

Finally the presence of conflict in one's role tends to undermine his relations with his role senders to produce weaker bonds of trust, respect and attraction. It is quite clear that role conflicts are costly for the person in emotional and interpersonal terms. They may be costly to the organization, which depends on effective coordination and collaboration within and among its parts.'

***Role overload:*** Role overload occurs when the work requirements are so excessive that employees feel that they do not have adequate time or ability to meet such requirements. Working under time pressure is especially stressful whether it is meeting a deadline for a report or studying near the exam period. The physiological symptoms of stress increase significantly prior to deadline and decrease sharply after the deadline has passed. The role overload can occur either

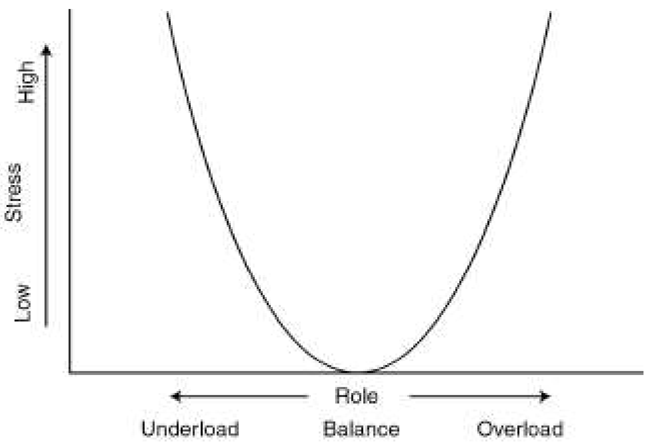
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when there is too much work to complete in a given time or when it is too difficult to accomplish because of lack of skills and ability.

***Role underload:*** Role underload occurs when a person's ability is underutilised so that either there is too little work or there is too little variety in the work. If a salesman with high inter-personal skills is given a job in a department store where there are not too many customers, then he will feel that his ability is not being properly utilised. Similarly, assembly line workers whose jobs are routine and highly monotonous also experience role underload.

Role underload leads to excessive absenteeism and such workers show very little interest in the organizational activities. It results in low self-esteem and low work satisfaction. This creates stress with increased frequency of nervous complaints and other health problems.

Stress as reflected in role overload and underload can be reflected diagrammatically as follows:




***Responsibility for people:*** Any type of responsibility can be a burden upon an individual. For example, organizational responsibility for such factors as budgets, equipment and projects can cause stress. However it is the responsibility for people working for you that is a cause for continuous concern. As a manager, your effectiveness is a function of quality performance of your subordinates. Hence, you will be held responsible for anything that goes wrong, which creates stress and this stress is intensified when the manager has a limited degree of control over the subordinates. As noted by French and Caplan, 'If there is any truth to the adage that 'man's greatest enemy is himself', it can be found in these data—it is the responsibility which organizational members have for other organizational members, rather than the responsibility for impersonal aspects of the organization, which constitutes the more significant organizational stress.'

***Lack of participation:*** When the employees are invited to participate in decision-making process in their areas of concern then the employees perceive that they have more control over their own environment thus reducing the extent of role conflict and role ambiguity that cause stress. For example, in a work situation

where high role conflict is created because of inconsistent demands from the superiors, the stress created by such high role conflict is reduced if the subordinates and superiors can participate and work together in reducing such inconsistencies.

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Participation in decision making also helps in reducing role ambiguity and role overload resulting in reduced stress.

### Interpersonal Relationships

The effectiveness of the organization is influenced by the nature of the relations among group members. One of the major sources of stress in organizational setting is poor interpersonal relationships, be it within the group or with superiors or subordinates. When interpersonal relationships are not very cordial, the employees develop a general sense of anxiety when they have to deal with each other or depend upon each other such as a group task or departmental meetings where they have to interact with each other.

Sayings like 'too much familiarity breeds contempt' have validity in that too much prolonged contact with other people can cause stress. This stress is further intensified when the people we come in contact with are in distress themselves. For example, we become distressed when our friends have problems. Parents are generally under great tension when their children do not do well in schools or when they get involved in drugs. For this reason, employees in such professions as health care and social services report the highest level of stress. According to Albrecht, doctors have the highest rate of alcoholism among all the professions and psychiatrists have the highest rate of suicide.

When a person has to deal with people in other departments, conflict may also occur. For example, assume that there is a professor from Business Division who is up for promotion that is to be decided by a committee comprised of representatives from all divisions. If the professor does not get the promotion he may feel that the representatives from the Humanities Division or Social Sciences Division do not appreciate the requirements in the Business Division, thus causing conflict and stress. As another example, the X-ray technicians in a hospital may not be able to deal with the service demands of the doctors and surgeons, thus creating stress and tension.

Much of the quality of interpersonal relationships also depends upon the organizational climate. An organizational climate may be conducive to a relaxed style of working or it may be tense and crisis-oriented. The employees are continuously tense, if the organizational climate in general is unfriendly, hostile or totally task oriented.

### Personal Factors in Stress

Events in personal life cannot be isolated from events in work life. A person with an unhappy family life seldom expresses a positive attitude at work. Much of the stress brought about by non-work situations may be due to divorce, marriage,

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death of a loved one, financial difficulties and many other socio-cultural relationships. These difficulties are stress producers especially if they are unexpected. For example, we know that children leave home when they grow up or when they go to college so that this is expected and this separation does not necessarily cause stress. On the other side, problems at work can manifest in stress in personal life. Thus job stress and life stress are often related in that high stress in one area can induce or increase stress in the other.

Some of the specific non-work stressors are:

***Job concern:*** Job and career variables can become stressors when they become sources of concern, anxiety or frustration to the individual. One of the major concerns is the lack of job security. Except for jobs with tenure or strong union support, very few employees have job security. This insecurity increases during times of recessions or impending recessions. The prospect of losing a job, especially when you have a family and your social roots are well-established, is very stressful.

Another reason for job related stress may be the perception of the employee regarding his status on the job. Persons who are not promoted when due or persons who feel that their jobs are beneath their qualifications may feel that they are not using their potential to the best and may become anxious about it. This is especially true for middle aged men and women when that time itself becomes a period of soul searching and self-doubt. Career progress then becomes a focal point.

***Relocation:*** When an employee has to relocate geographically because of a transfer or promotion, it disrupts the routine of his daily life, causing concern and stress. The fear of working in a new location, unpredictability about new work environment, and the prospect of creating new relationships always cause some anxiety. Relocation also creates problems for the spouses and children of employees. They are also uprooted from schools, friends and jobs. It is especially difficult for them because generally the family moves with the husband's job and they do not have much say in it. The stress related to this geographic mobility is greater when the wife also has a job and she has to leave the job to go with the family. Uncertainty about getting a new job at the new location creates some degree of stress. Thus the more changes that occur in a person's social relationships and family life because of relocation, the greater the person's stress will be.

***Changes in life structure:*** The structure of life and process of living has many facets. Some of these facets are socio-cultural in nature such as family, religion, race, education, economic situation as well as a person's interaction with the socio-cultural world in the role of a husband, a parent, a friend or a citizen. In addition, the life structure may change as we grow older from one period to another such as childhood to adolescence and so on. As we grow older, our responsibility to ourselves as well as others changes and increases. The higher the responsibility, the greater the stress.

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The extent of stress is also determined by the ability to cope with stress or the kind of sources a person seeks to deal with stress. For example, people who have strong faith in God and His Will find it easier to deal with such stressful situations as the loss of a loved one. Similarly, family and friends are source of great comfort at such times of crisis.

The pace of life would also determine whether a person's life is stable or turbulent. As the responsibilities increase, so does the capacity to execute them. Professions such as those of doctors or businessmen are more stressful and hectic than those of say, college teaching.

The degree of stress created by certain events in life can be assessed by 'Social Readjustment Rating Scale' developed by Thomas Holmes and Richard Rake. In order to construct the stress impact scale, they asked people to rate as to how long it would take to adjust to certain stressful events and how severe the adjustment to these events would be. From the responses, they developed a ranking and a weighting for each of these stress producing events. For example, the death of a spouse was considered to be the most stress producing event. The following table shows the ranking of some of these events.

| *Life Event* | *Weight* |
|---|---|
| Death of a spouse | 100 |
| Divorce | 73 |
| Jail term | 63 |
| Death of a close family member | 63 |
| Marriage | 50 |
| Fired from work | 47 |
| Pregnancy | 40 |
| Sex difficulties | 39 |
| Child leaving home | 29 |
| Change in residence | 20 |
| Christmas | 12 |

If an individual accumulates a large number of stressor points in a relatively short period of time, it is more likely that stress would be obvious. The higher the number of points, the more likely that stress will result in serious illness.

## 7.3 CONSEQUENCES OF JOB STRESS

As has been discussed, the conditions that create stressful situations for employees are fairly constant such as, fear of losing the job, work overload, lack of participation in decisions regarding their own work environment, non-supportive supervisors, and co-workers, limited job opportunities and so on. The stress is acute specially

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for current generation middle managers whose jobs are more uncertain, and who have less control over their destinies as compared with senior level managers, Furthermore their stress coping capabilities are reduced because they are generally more mobile, less religious, marry later in life and have fewer children-factors that act as a buffer and reduce the impact of stress.

According to Business Week, 'Stress. From the corner office to the factory floor, it is epidemic in US business. Competition, Bloody Monday layoffs, mergers and acquisitions—all are taking their toll in derailed careers, broken families and emotional disorders. Signs are everywhere. Employees drink to excess and slip disastrously in their performance. They erupt into fits of uncontrollable rage at work and abuse their families at home. A few commit suicide.'

It is important to deal with stress at an early stage. Early warning signs such as headaches, back pain, irritability, insomnia, absenteeism from work or alcoholism should be taken seriously. Otherwise they could lead to serious emotional disorders as well as physiological problems such as ulcers and heart disease. When stress is left untreated for a long time, it can develop into anxiety and depression. According to Business Week again, stress and depression share a common chemistry in the brain. A hormone called Corticotropin Releasing Hormone (CRH) puts a shield of defence against stress. Even after the stress subsides, the body keeps releasing the hormone, sometimes for years. When stress gets out of hand, it results in severe depression, and depression if untreated can be fatal. Depressed individuals make up some 60 per cent of all suicides.

**Physiological Reaction to Stress**

High degree of stress is typically accompanied by severe anxiety, frustration and depression. There is evidence that work stress is associated with heart irregularities, high levels of blood pressure and high levels of cholesterol. Studies conducted by Stole, regarding the effects of a plant closing in Detroit showed an 'alarming rise in anxiety and illness', with at least fifty per cent of employees suffering from ulcers, arthritis, serious hypertension, alcoholism and depression.

Some of the physiological symptoms of stress, anxiety and depression are as follows:

Stress: Irritability, insomnia, alcohol and food abuse. Physical changes including rapid breathing and heart rate, tensed muscles. Prolonged stress can cause muscular twitches, skin problems, baldness and sexual problems such as impotence.

Anxiety: Excessive worry, irritability, anger, nervousness as well as inability to concentrate or sleep. Physical changes include palpitations, chest pain and dizziness.

Depression: Feelings of sadness, hopelessness, guilt and worthlessness, loss of interest in activities, change in appetite or weight, difficulty in concentrating and suicidal thoughts.

Also there is strong evidence that job stress contributes directly to life threatening diseases and in fact shortens one's life.

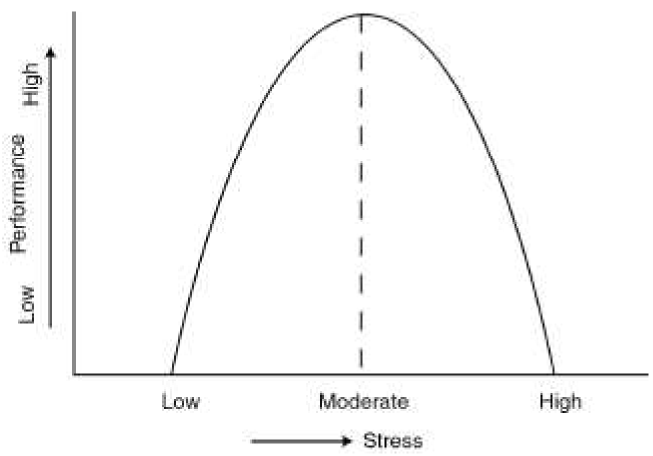
## 7.4 STRESS-PERFORMANCE RELATIONSHIP

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One of the major concerns of management is the negative impact stress has on performance. People under high stress tend to withdraw from the contact with the stressor in the form of turnover and absenteeism. In extreme cases, it may result in sabotage. Workers sometimes create mechanical failure in order to take a break from strain of monotonous work. Any factor that causes negative effects on our physical and psychological well-being is also expected to affect our work behaviour. Exposure to strong and enduring stress influences important aspects of our behaviour at job thus affecting productivity.

The relationship between stress and performance appears to be rather complex. It is affected by the difficulty of the task being performed, the nature of the specific stressor involved and a wide range of personal and situational factors. However, in general, productivity is considered to be at a peak with moderate level of stress. Performance is poor at low level of stress as well as at high level of stress. At low level of stress, the person may not be sufficiently energized and may not be whole-heartedly involved in his work, resulting in low productivity. As the level of stress increases from low levels to moderate levels, the performance level also increases to reach the peak level. An optimum level of stress exists for any task. If the stress continues to increase from this level, the person becomes too agitated and frustrated, resulting in performance deterioration.

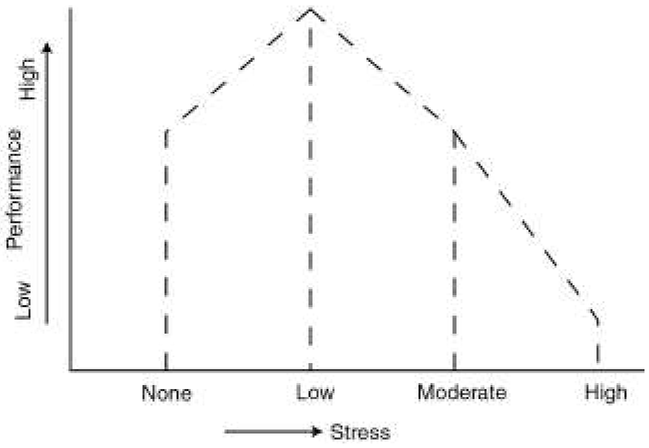
It has been believed that the relationship between stress and performance is curvilinear. It follows an inverted U-shaped curve as shown previously and reproduced here.




However, the validity of the clear-cut relationship is being questioned and some behaviour scientists believe that performance actually decreases when stress increases from low levels to moderate levels, even though the rate of decrease in

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performance is less than the rate of decrease when stress increases from moderate to high levels. This relationship is shown as below:




Stress also impairs the ability to make effective decisions. People under stress are in a state of irritation and are unable to concentrate. They become impatient and are more likely to avoid or postpone making decisions. They are less likely to seek new information and are more likely to forget some important pieces of available information. As a result, the quality of decisions they make suffers, and the cost of a wrong decision can be very high.

**Job Burnout**

Job burnout is the extreme case of physical, emotional and mental exhaustion, when stressors seem to be unavoidable and sources of relief seem to be unavailable. People feel totally drained and dread going to work. They develop negative feelings about their jobs and about their life in general. This burnout is a direct result of prolonged exposure to intense stress.

Physical exhaustion results in general feelings of tiredness and people exhibit such symptoms as low energy, frequent headaches, sleeplessness and changes in eating habits.

Emotional exhaustion results in feelings of depression, helplessness, and hopelessness. People who are emotionally exhausted develop a feeling of worthlessness and tend to believe that life has no meaning or goal.

Mental exhaustion result in low self-esteem and develops negative attitudes towards life and job. People tend to feel inadequate and incompetent and they often dislike their colleagues, their co-workers or their clients.

Recent studies have shown that burnout seems to be the most common among professionals who must deal extensively with other people. Job burnout is most visible among professionals such as managers, lawyers, nurses, accountants and social workers. It has been estimated that 20 per cent of such professionals suffer from job burnout.

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## Coping with Stress

We know that some stress is necessary for optimum efficiency. We also have a general idea as to the level of stress that is destructive to job performance. Accordingly, it is necessary for individuals, as well as management to take steps to reduce stress to acceptable levels.

## Individual Strategies

It is necessary for physical and psychological well-being of the person to reduce or eliminate the negative effects of stress. It is possible to manage stress, at least in the sense that a person can either avoid stressful conditions, change them or learn to cope with them. There are a number of ways by which stress can be managed so that the person has control over his life. Some of these strategies deal with the individual himself and focus on improving his physical and mental strength to deal with stress from all sources and some strategies deal specifically with job related stress.

Some of the stress reducing strategies that strengthen the individual's well-being are:

***Re-adjust life goals:*** Because of the severe competition to 'get ahead', most individuals set very high standards and goals for themselves. They are always trying to do too much in too little time. They have tremendous fear of failing and they are running to nowhere. These high expectations and limited resources to reach such expectations result in stress. Accordingly, people must readjust their goals and make sure they have the ability and proper resources to reach such goals. Perhaps the goals should be established after resources have been analysed.

***Social support:*** There is a saying that, 'a friend in need is a friend indeed'. Good friends become highly supportive during the times of stress and crisis. Close and reliable friends may give a sympathetic hearing to your problems, a more objective assessment of the situation and support your sagging self-confidence or self-esteem. Many people turn to God for support during times of difficulties, believing God to be their 'best friend'. The idea of confession to a priest in the Catholic religion is primarily meant to receive moral support for stress created by some individual actions. Thus God, priests, family, friends can all be a source of great comfort during times of stress.

***Plan your life in advance:*** While the attitude of 'whatever will be, will be' is a way to accept the unexpected difficulties in life, it is better to project events in life and plan to confront them when they occur. Many times, people create situations that induce stress because they either did not plan or they did a bad job of planning. For example, students who plan the pace of their studies during the semester seldom find exams excessively stressful. Accordingly, if we plan the proper utilization of our resources of time and money, the chances are that we will have *less stress*.

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***Physiological fitness:*** There is evidence to suggest that individuals who exercise and so strengthen their endurance and cardiovascular system, are much less likely to suffer from certain types of stress-related illnesses. As the correlation between physical fitness and stress resistance has become clear, many organizations have added facilities for physical exercise in their premises. With proper exercise, diet control and non-smoking habits, blood pressure and cholesterol levels become low and the body becomes more resistant to pressures. People are more likely to get physically sick or emotionally depressed if they are overweight or poorly nourished.

***Yoga:*** During the last twenty-five years, there has been a growing interest in yoga as a stress reduction strategy. The word 'yoga' means union and according to Amarjit Sethi, it 'implies union with the ultimate where the process of desiring has come to an end and where stress is non-existent'. To a common man, yoga is a structured set of exercises and body movements with deep breathing and mind concentration, so that it is a way of getting away from the stressors. To a serious student of yoga, it is a methodology to integrate body and mind forces to bring them into a state of harmony with the ultimate goal of being in unison with the Infinite. At the lower levels of physical and mental fitness, yoga consists of certain postural habits (known as asanas) and these postures are non-dynamic, passive and stable, resulting in increased flexibility of skeletal structure. This in turn stimulates the nervous system. Accordingly, with proper 'asanas' and controlled breathing, the neuromuscular coordination is strengthened, affecting glandular activity that is responsible for physical as well as mental health. Thus the development of a sound mind in a sound body improves the stress coping capabilities.

**Meditation**

Meditation involves concentration of mind away from stress producing areas, sitting in a comfortable position, closing the eyes and clearing the mind from all disturbing thoughts. Any form of concentration that redirects our thought processes away from daily concerns can be considered meditation. Primarily, it involves silently repeating a single syllable or 'mantra' over and over gain. This concentration on 'mantra' shuts out other distractions and results in physical and mental relaxation at its peak. The place of meditation should be such that the meditator is not disturbed by any outside force such as telephone, children or visitors. This technique was popularised by Maharishi Mahesh Yogi, an Indian mystic, and the method is known as 'transcendental meditation' or TM.

Another form of meditation that has grown popular is Benson's method or 'relaxation response.' This technique is similar to TM and is designed to elicit 'relaxation response' that is considered to be opposite to 'stress response'. The basic idea is to block extraneous and distracting thoughts from one's mind. It is a form of breathing meditation, where the meditator consciously thinks of a word or a symbol on every out breath. The idea is to dwell upon a particular word or sound or to gaze at a symbol or even concentrate on a particular feeling. Relaxation

response should become an integral part of behaviour so that life stresses are effectively countered. Benson recommends 'relaxation response' breaks instead of coffee breaks to rejuvenate workers.

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***Biofeedback:*** Biofeedback is a methodology designed to alter undesirable physiological responses through psychological strategies. Sophisticated electronic instruments are used to measure small undesirable changes caused by stress. Then a state of relaxation is induced in order to bring back such bodily functions to a normal non-stress state. For example, whenever blood pressure is registered as too high, individuals then try to relax to bring the blood pressure down. This tendency to relax is voluntary on the part of the individual. The potential benefit of biofeedback is the human ability to bring some of the bodily functions under voluntary control. These functions include heart rates, brain waves, muscle tension, blood pressure and stomach acidity. Changes in these functions are most often caused by stress. By measuring these changes precisely through the system of biofeedback, an individual can respond to these changes effectively. Thus stress management can be voluntarily practiced by individuals.

### Organizational Strategies for Coping with Stress

While it is necessary for individuals to design their own strategies to reduce stress to an acceptable level, it is equally important for organizations to develop programs that will help employees reduce their stress. This will help in controlling employee turnover, absenteeism, and as a result, productivity will improve. Some of the steps that organizations can take are:

***Health maintenance:*** Many organizations provide facilities at their premises for physical fitness such as gyms, swimming pools, as well as psychological counselling. They hold seminars, workshops and lectures to help employees in understanding the nature and sources of stress, its ramifications and possible ways to reduce its negative effects. Workshops are designed in a manner that they are therapeutic in nature to help individuals who are already experiencing stress problems. Most programmes involve one or more of the following techniques: biofeedback, meditation, muscular relaxation exercises, and skill training areas such as time management, interpersonal skills, training to think positively about life and its problems and looking at sources of stress realistically and analytically.

***Selection and placement:*** The basic hiring process should be based upon matching of skills, personality and work requirements. Being placed in a job that is not compatible with your ability and temperament, can be highly frustrating and stress producing. The applicants should be hired not only on the basis of educational background and past relative experience but the criteria for selection could also include the applicant's ability to handle role ambiguity and role conflict when present. Accordingly, during the process of hiring, some personality tests can be designed to evaluate the candidate's stamina for stress.

***Job enrichment:*** Redesigning the job should be in such a manner as to use the maximum potential of the employee with emphasis on employee involvement

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in such redesigning. This will help reduce stress caused by monotony, routine work, role ambiguity, work overload or underload. Job enrichment enhances motivation and leads to more challenging assignment, improved task significance, more responsibility, more meaningful work and more control of the employee over his own work environment. It also improves feedback to the employee regarding his performance and this will reduce uncertainty. Since stress occurs when work is important and there is some uncertainty surrounding it, a redesigned job will help overcome this stress and enhance 'quality of work life'.

***Effective and equitable performance appraisal and reward systems:*** It is necessary that performance be appraised in an objective and non-biased manner and the rewards be clearly and proportionately related to performance. The employee must know what is expected of him and for what exactly he is responsible and accountable. This will reduce role conflict. Employees' contribution to the organization must be well recognised, appreciated and rewarded. This will instil enthusiasm and a sense of dedication and belonging which in itself is a stress fighting phenomenon. This also strengthens the bonds of interpersonal relationships between the employees and the superiors and helps in clear and open communication.

***Participation in decision making:*** If the employees are invited to participate in making decisions involving their own work setting, within the organizational guidelines, this would make the employees feel that they are their own boss, a factor that is associated with less negative reactions to stress. Participation increases job involvement and reduces ambiguity and conflict—the two stress producing agents. This would also result in closer cooperation among superiors and subordinates and a better work environment, especially when the superiors support their subordinates.

***Building teamwork:*** The management must create a work environment in which the members of the work group consider themselves as members of the same family. There should be no provision for interpersonal conflict within the group nor for conflict between an individual and the group. Such conflicts are causes of stress and should be prevented from building or eliminated if they develop. Accordingly, such groups should be developed that are more productive and mutually supportive. Members of the group would seek each other for social support, which is a necessary ingredient for diluting stress.

**Check Your Progress**

1. Define the term 'stress'.
2. What are the various sources of stress?
3. What are the various strategies for reducing stress?
4. What are the steps any organization can take for coping with stress?

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## 7.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Stress is a state of mind that reflects certain biochemical reactions in the human body and is projected by a sense of anxiety, tension and depression and is caused by such demands by the environmental forces or internal forces that cannot be met by the resources available to the person. The intensity of such demands that require a readjustment of resources or operational styles would determine the extent of stress.
2. There are two types of sources of stress: organizational sources and personal sources. Organizational sources include role ambiguity, role conflict, role overload, role underload, responsibility for people and lack of participation where as personal sources include job concern relocation changes in life structure.
3. Some of the stress re-adjusting strategies are reading life goals, physiological fitness, yoga, meditation etc.
4. The various steps taken by any organization to reduce stress are: Health maintenance, selection and placement, Job enrichment, participation in decision making.

## 7.6 SUMMARY

- The general adaptation syndrome refers to a general development of responses to stressful events in the form of physiological, psychological and behavioural responses believed to follow a fairly consistent pattern.
- Frustration is a form of behaviour that occurs when a person wishes to achieve a certain objective or pursue a certain course of action, but is prevented from doing so. It refers to an obstruction or impediment to goal oriented behaviour.
- A second form of stress is the 'anxiety' which is a feeling of inability and helplessness in formulating appropriate responses or plans for dealing with the anticipated negative outcomes.
- There are two major sources of stress. These are organizational sources and personal sources.
- Role conflict occurs when two or more persons have different and sometimes opposing expectation of a given individual.
- One of the major sources of stress in organizational setting is poor interpersonal relationships, be it within the group or with superiors or subordinates.

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- The conditions that create stressful situations for employees are fairly constant such as, fear of losing the job, work overload, lack of participation in decisions regarding their own work environment, non-supportive supervisors, and co-workers, limited job opportunities and so on.
- High degree of stress is typically accompanied by severe anxiety, frustration and depression. There is evidence that work stress is associated with heart irregularities, high levels of blood pressure and high levels of cholesterol.
- One of the major concerns of management is the negative impact stress has on performance.
- People under high stress tend to withdraw from the contact with the stressor in the form of turnover and absenteeism. In extreme cases, it may result in sabotage.
- The relationship between stress and performance appears to be rather complex. It is affected by the difficulty of the task being performed, the nature of the specific stressor involved and a wide range of personal and situational factors.
- Job burnout is the extreme case of physical, emotional and mental exhaustion, when stressors seem to be unavoidable and sources of relief seem to be unavailable.
- It is necessary for individuals, as well as management to take steps to reduce stress to acceptable levels.

## 7.7 KEY WORDS

- **Stress:** Stress is a state of mind that reflects certain biochemical reactions in the human body and is projected by a sense of anxiety, tension and depression and is caused by such demands by environmental or internal forces that cannot be met by the resources available to the person.
- **General adaption syndrome:** The general adaption syndrome refers to a general development of responses to stressful events in the form of physiological, psychological and behavioural responses believed to follow a fairly consistent pattern and consists of three stages: alarm, resistance, exhaustion.
- **Biofeedback:** It is a methodology designed to alter undesirable physiological responses through psychological strategies.
- **Meditation:** It is a practice where an individual uses a technique – such as mindfulness, or focusing the mind on a particular object, thought, or activity – to train attention and awareness, and achieve a mentally clear and emotionally calm and stable state.

## 7.8 SELF ASSESSMENT QUESTIONS AND EXERCISES

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**Short-Answer Questions**

1. What is the general adaptation syndrome?
2. List some of the sources of organizational stress.
3. What are some of the non-work stressors?
4. When does role conflict occur?
5. What is biofeedback?

**Long-Answer Questions**

1. Differentiate between 'eustress' and 'distress.' What factors are responsible for causing 'eustress'? Are these factors sudden developments or do they develop gradually?
2. What are the various stages in the development of the general adaptation syndrome and what responses can be developed to address each stage?
3. Explain in detail the physiological, psychological and behavioural responses to stress.
4. Explain in detail various sources of stress specifically related to organizational environment. How would you rank these sources in order of producing various degrees of stress?
5. Differentiate between role ambiguity and role conflict. What steps can be taken to eliminate this ambiguity and conflict so as to reduce stress?
6. How does responsibility for people become a source of stress? Would this stress be reduced if employees were made more responsible for their own activities? Support your reasons.
7. What are some of the personal factors that contribute to stress? Are these personal factors genetic to some degree? If so, classify those factors that are genetic in nature and those that are learned from the environment.
8. Explain in detail some of the consequences of job stress both in physiological as well as psychological terms.
9. Explain in detail some of the personal strategies in coping with stress. Stress the importance of each of these strategies.
10. Describe some of the organizational strategies in coping with stress. Stress the importance of each of these strategies.

## 7.9 FURTHER READINGS

NOTES

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## BLOCK - III
## ORGANISATIONAL CHANGE AND DEVELOPMENT

NOTES

# UNIT 8 ORGANIZATIONAL CHANGE

**Structure**



## 8.0 INTRODUCTION

In the previous unit, you studied about stress in the workplace. This unit deals with the concept of organizational change. Change is a phenomenon that pushes us out of our comfort zone. It is for the better or for the worse, depending on how it is viewed. Change has an adjustment timeline that varies from person to person. Change has a negative effect on those who do not want to let go. Being flexible is the key. For instance, a roller coaster ride can symbolically be indicative of change—it can be fun if you know when to lean and create balance. Change is not related to the mantra 'just hang in there', but the mantra 'you can make it'. It is not associated with worrying. Change spurs you to achieve your best. It will cause you to learn.

## 8.1 OBJECTIVES

After going through this unit, you will be able to:

- Analyse the meaning and nature of organizational change
- Discuss the factors influencing change
- Differentiate between proactive and reactive change

- Identify the steps which assist in managing organizational change
- State the sources of resistance to change

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## 8.2 MEANING, NATURE AND IMPORTANCE OF ORGANIZATIONAL CHANGE

If we see around us, life is changing every moment. *Maya*, the Sanskrit word, means 'life is an illusion'—the world around us is steady and not changing. A good leader looks beyond the illusion of 'changelessness' and unearths opportunities for change. There have been several passionate arguments put forward by academics about which comes first—a change in attitude or a change in behaviour. In organizational terms, this means do we help the people challenge their beliefs and thus bring about behavioural change, or do we encourage them to experiment with behavioural change in the hope that different results will revolutionize their thinking. Well, the answer is both.

Change takes place even when employees do not believe it will. They may not be susceptible to change or even detest the idea of behaving differently, but as long as they stay open to the possibility, they are on the road to change. This is because the act of doing something differently will start to influence their belief systems. In addition, the response received from others will reinforce the new behaviour. For example, a CEO of an organization might want to be less positioned, more flexible and visibly vulnerable in looking for conflict resolutions vis-a-vis peers. However, this CEO might have a dualistic approach to thinking—perceiving two alternatives to every problem: 'him' or 'they'. Thus, from this perspective, there could only be one 'winner', and the CEO will obviously be determined to win.

The management should realize the value of effective employees' cooperation and collaboration, and motivation in the workplace. Before putting into practice a change in an organization, managers should understand that different people hold dissimilar opinions about change. Also, not all employees are candid and willing to be straightforward with their managers. Therefore, managers should have the initiative to interact with all employees and keep them informed about any organizational change. By communicating and listening to employees, managers can be aware of their unfulfilled needs and resistance to change. In other words, the communication should be improved between managers and employees, in places where employees are not too keen on change.

While implementing organizational change, managers should be able to understand employees' attitudes, but also they should keep in mind how the employees feel. As leaders, managers should guide and direct employees along the organizational change process, appreciate the significance of employees' motivation to proceed with change, and be open to new ideas that come from employees. Listening and explaining to employees is an essential process to convince them about the projected benefits that are expected from the introduced change.

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As soon as the change is implemented, managers should continue to communicate with employees about the benefits of the new working environment. This will promote an open exchange of ideas and information among all parties. By being helpful, managers can discover to what extent change affects employees and take remedial actions immediately to support them. For example, managers should be aware that although organizational change impacts that bring positive results into the industry do not necessarily bring about the same outcome to employees. Change of a working system may increase employees' income with extra workload which can in turn creating fatigue and low spirits.

### Levels of Change

There are various levels within the organizational domain where changes can be brought about for operational enhancement of the organization as well as desirable behaviour of members. The various types of changes that can have considerable impact on the organizational culture are:

***Strategic change:*** This is a change in the very mission of the organization. A single mission may have to be changed to multiple missions. For example, when British Airways acquired a major part of US Air, the culture of the entire organization had to be modified to accommodate various aspects of American organizational culture into the British organizational culture.

***Structural change:*** Decentralized operations and participative management style have been seen as more recent trends in the organizational structure. Since these structural changes shift the authority and responsibility to generally lower level management, it has a major impact on an organization's social climate and members have to be prepared to develop a team spirit as well as acquire skills to make on-the-spot decisions at points of operations.

***Process-oriented change:*** These changes relate to technological developments, information processing, automation and use of robotics in the manufacturing operations. This means replacing or retraining personnel, heavy capital equipment investment and operational changes. This would affect the organizational culture and hence changes in the behaviour patterns of members.

***People-oriented change:*** Even though, any organizational change affects people in some form, it is important that the behaviour and attitudes of the members be predictable and in accordance with the expectations of the organization and be consistent with the mission and policies of the enterprise. These changes are directed towards performance improvement, group cohesion, dedication and loyalty to the organization as well as developing a sense of self-actualization among the members. These can be developed by closer interaction with employees and by special behavioural training and modification sessions.

### 8.2.1 Importance of Organizational Change

This external environment affects the organizations both directly and indirectly. The organizations have no control over the variables in such an environment.

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Accordingly, the organizations cannot change the environment but must change themselves to align with the environment.

External forces for change arise from general environment as well as from task environment. The general environment that affects the organizations indirectly consists of economic, political, legal, socio-cultural and technological forces and these forces keep the organizations alert so that they become aware of any changes in the direction and momentum of these forces. For example, when due to oil crisis, people started buying small fuel efficient cars from Japan, the American automobile manufacturers who were accustomed to producing large luxury cars, spent billions of dollars in the mid-1970s in retooling the new machinery to build smaller cars. Similarly, changes in laws regarding control of air pollution or dumping of chemical wastes and economical changes such as inflation rate, disposable money supply, unemployment rate – all constitute sources of change for the organizations. Social changes such as changes in the taste of clothing, or introduction of laptop or notebook computers made many companies large and successful while at the same time destroying many other companies who were slow or unwilling to adapt to the change.

Task-related environment has direct influence on the health of the organizations and it consists of customers, competitors, suppliers, labour, stockholders and so on. All these factors can induce a change in the organizational direction. Competitors can influence a change in an organization by the price structure and product lines. Price wars in airline fares have driven many airlines out of business. Stockholders can influence organizations because they can take action against the board of directors if they feel that the board is not acting in their best interests. Customers have been known to change their loyalty for better quality product and better service. Accordingly, organizations cannot rest on status quo and must remain dynamic and be able to change quickly to adjust to changed environment.

### 8.2.2 Change Process

Managers who are interested in implementing change are required to be aware of two important aspects of change: (1) Diagnosis and (2) Implementation

1. **Diagnosis:** The first, most important stage of any change effort is diagnosis. Broadly defined, the skills of **diagnosis** include putting forward correct questions at correct time, assessing the organizational culture, developing the strategies for research and gathering information or data, and developing ways to process and interpret data. In diagnosing change, managers should attempt to find out: (a) what is *actually* happening now in a particular situation; (b) what is *likely* to happen in the future if no change effort is made; (c) what would people *ideally* want in a situation like this; and (d) what are the *blocks,* or restraints, stopping movement from the actual to the ideal.

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There are two steps in the diagnostic process. These are discussed below.

(i) **Point of view:** There are various people whose interests have to be protected by the organization. It is, therefore, necessary to decide from whose point of view you are to observe the organization and from whose point of view the change should be implemented—your own, your boss, your associates, your followers or an consultant? Ideally, to assess the complete problem, you need to examine the condition from the perspective of the person whose life would be influenced by the change. Their interest is of great importance for an organization to sustain and grow in the present fast-moving world.

(ii) **Identification of problem(s):** Any change effort begins with the identification of problem(s). There exists a problem in a situation when what actually happens (the real) differs from what, according to you, should happen (the ideal). What is important is the end result that an organization can offer to its customers. Is the work group functioning in a harmonious manner? Is there a conflicting situation in the organization? If the response is in the negative for the former and positive in the latter, then there is a problem of behavioural nature and suitable change efforts may be required sooner than later. Before implementing any change, a leader will have to observe the battle indications in the organization. High level of absenteeism, more wastage in the use of raw materials, irrational behaviour of various employees, and not meeting various targets are enough indications to show that a problem exists, that it needs to diagnosed and the kind of change required to be effected needs to be decided. The discrepancy may be in the end result variables like low production or insufficient sales by the marketing department. Alternatively, problems may exist in causal factors, that is, the independent variables like leadership style, motivation levels of the employees, or the delegation of authority and empowerment. Depending upon the situation, suitable change strategies may have to be employed by the organization.

2. **Implementation:** It involves using the data collected during diagnosis to accomplish the targets and plan for the organizational change. Questions such as the following must be asked: How can change be affected in a work group or organization, and how will it be received? What is adaptive, and what is resistant to change within the environment?

### 8.2.3 Factors Influencing Change

Change is inevitable. Nothing is permanent, except for change. It is the management's duty to see that change is managed properly. Organizations must keep a watch on the environment and incorporate suitable changes that the situation may demand. Change is a continuous phenomenon. Organizations must be proactive

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in effecting change. Even in the most stable organizations, change is necessary just to maintain a certain level of stability. The major environmental forces that make change necessary are technology, market forces and socio-economic factors. Resistance to change is counterproductive for growth and destructive by nature; it is, therefore, undesirable. Managers must, hence, evolve policies to effect change. According to Barney and Griffin, 'the primary reason cited for organizational problems is the failure by managers to properly anticipate or respond to forces for change'.

The following are the characteristics of change:

- Change refers to any alteration that occurs in the overall work environment of an organization. It relates to changes in technology, organizational structure, working processes, work environment, organizational policy and the roles people play.
- The introduction of change in one part of an organization forces a change in other parts of the organization. If the change is beneficial, people accept it willingly. If it is not desirable, there is great resistance. If it is of no consequence to the people, they may adopt an attitude of indifference.
- If they consider the change detrimental to their growth and prosperity, they may resist through counter pressure. This reaction is based on their perception of the change and not necessarily on reality or facts.

There are various factors that must be considered in order to implement change. Organizations undergo change because of several reasons. Some of the external causes are as follows:

- Government policies
- Economic changes
- Competition from peers
- Cost of raw materials
- Pressure groups/lobbies
- Information technology
- Scarcity of labour
- Societal pressures
- Legal requirements

Some of the internal causes are as follows:

- Leadership changes
- Decline in profitability
- Change in employee profiles
- Trade unionism
- Low morale

The organizational changes that are commonly seen in the contemporary world are downsizing/rightsizing, introduction of new technology, mergers and acquisitions.

### 8.2.4 External and Internal Factors



There are two major forces that introduce changes. These are:

**1. External reasons**

Technology is a major external force that calls for change. In recent times, information technology (IT) has had a remarkable impact on the ability of managers to use information to arrive at a decision. Storage, retrieval of information and its utilization are important aspects of technology. Where human beings cannot operate, robots has been introduced to work for and on behalf of human beings. Financial decisions, operations, product features, new product development, market potential and marketing strategies are changing at a fast pace and organizations must carry out appropriate and timely change so as to avoid being left behind in the race. With liberalization, the market has become one large entity. Organizations must, therefore, be highly sensitive to changes in the external environment. The external environment is task-related and general in nature. A task-related environment has a direct influence on the health of an organization. It consists of customers, competitors, suppliers, labour and stakeholders. All these factors induce change in the organization. The general environment consists of political, legal, economic, socio-cultural and technological forces and change in government policies or fiscal policies that have a direct impact on the organization. For example, a change in the needs, expectations and desires of society for housing has changed the outlook of the financial sector and loans are now easily available to all sections of society.

**2. Internal reasons**

Once organizations adapt to external change, the managers have to take appropriate steps as far as internal systems are concerned—change of process, modification to human behaviour, training and development of the workforce based on new technology and adopting new policies that are beneficial to the organization. Owing to current social changes in which women are taking up jobs in greater numbers, childcare, more and frequent rest periods and greater flexibility of time may be necessary. Workers are more educated and are aware of their duties and rights. This may necessitate change in corporate policies towards wage and salary structure and implementation, promotion policy and management obligation towards them. Customers, shareholders, boards of directors and employees may bring about changes in the internal environment. These, however, have to be in line with the external factors and not arbitrary. Change, which is deliberately designed and implemented, is 'planned change'. This is carried out to counter threats and encash opportunities. 'Reactive changes' are unknown and caused as a response to sudden surprises like change in price of a particular product. It is, therefore, necessary

that the management is 'proactive' in incorporating change with fewer surprises. It must build on the organization's strengths and take appropriate preventive actions on its weaknesses in order to be competitive in the marketplace.

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### Proactive Vs. Reaction Change

According to Nadler, discontinuous change involves a break from the past and a major reconstruction of the entire organization. Reactive change occurs when an organization must respond to environmental changes. Nadler et al., refer to anticipatory change as occurring when an organization acts in anticipation of changes that may occur in the future. Whereas incremental and discontinuous changes refer to the continuity of change, reactive and anticipatory changes address the timing of it. These four types of change also differ by their driving force, focus, pacing, and approach to management, and each has different implications for organizational behaviour. For instance, an organization that experiences both reactive and incremental change typically expresses an adaptive behaviour, whereas an organization experiencing discontinuous and anticipatory change may focus on reorienting itself by fundamentally redefining itself. Unplanned change usually occurs because of a major, sudden surprise to the organization, which causes its members to respond in a highly reactive and disorganized fashion. Unplanned change might occur when the Chief Executive Officer suddenly leaves the organization, significant public relations problems occur, poor product performance quickly results in loss of customers, or other disruptive situations arise. Planned change occurs when leaders in the organization recognize the need for a major change and proactively organize a plan to accomplish the change. Planned change occurs with successful implementation of a Strategic Plan, plan for reorganization, or other implementation of a change of this magnitude. Note that planned change, even though based on a proactive and well done plan, often does not occur in a highly organized fashion. Instead, planned change tends to occur in more of a chaotic and disruptive fashion than expected by participants.

### Stability vs. Change

In every organization, there are found two types of forces: forces of stability and forces of change. In depends on the management to find a balance between the two or give more priority to one and less to another.

Three factors make up the forces of stability in an organization: consistency, maintaining the status quo and predictability. The strategic vision and process are very clearly prescribed and followed within a set structure in such organizations. Some examples of forces of stability are: Mature company hierarchy, Job security, Logical order and flow, Continuity in task or project management, Predictability in role's responsibilities, Confidence in taking risks to find solutions, Formalization of policies and procedures and Consistency and standardization in work.

The factors which define the forces of change in an organization are flexibility and adaptability. These types of organization are more insistent on innovating,

setting themselves apart and improving at every stage. Some examples of forces of change in an organization are exploring opportunities for growth and development, adapting to customer feedback, analysing and facing competitive pressure, seeking out creative solutions to problems or challenges, innovating to improve employees or the organization and expanding into new areas internally or externally.

It becomes the duty of the manager to balance the two forces in the organization as per the broad organizational objectives and vision.

**Check Your Progress**

1. What is strategic change?
2. What does task-related environment consists of?
3. When does reactive change occur?

## 8.3 MANAGING CHANGE

Organizations must plan to implement change in a systematic manner. They must identify the field in which the change is required and ascertain whether it is strategic, structural, process-oriented or cultural. Changes can also be affected in all the areas concurrently, but it must be managed appropriately so that there is no bottleneck effect. Once the need for change is identified as also the area in which it is to be implemented, the following steps are suggested:

**Step 1—Develop new goals and objectives**

Objectives and goals that are derived out of mission statements may need revision due to changes in external or internal forces.

**Step 2—Elect an agent for change**

It is the responsibility of the management to entrust execution of change to the appropriate authority. A manager may be given this responsibility. A change agent can also be employed from outside for the purpose. A specialist or a consultant can be brought in to suggest change and monitor implementation.

**Step 3—Diagnose the problem**

Diagnosis is the first step implementing change. If an organization has a large employee turnover, then the data must be collected and made available to the consultant so that the reasons for turnover can be identified and appropriate corrective measures can be selected. The process of identifying a problem is not as simple as it appears. This itself may need research.

**Step 4—Select a methodology**

It is easy, in corporate terms, to implement material change as a part of change in the system. What is important is to protect the emotions of the employees which

must be considered during the selection of methods, so that it is easier to implement at a later stage.

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**Step 5—Develop a plan**

If the organization wants to reduce employee turnover, it may carry out a comparative study of other organizations with respect to job content, reward system, employee performance appraisal system, promotion criteria, training and development and the strategy adopted by the organization for its growth. Based on the examination of these factors, the consultant in charge of this would be able to develop a plan for change. It may require introducing a new training and development policy that can reduce employee turnover. While developing a plan, various other factors must also be reviewed. Plans should not be finalized in isolation. All department heads must be co-opted in the exercise.

**Step 6—Draw a strategy for implementation**

Care must be taken to consider the timing of any change that is to be implemented. A deliberate decision must be taken in this regard. For example, in the case of a hike in the price of a product, the decision to implement change is critical. If the change is related to internal employees, it must be communicated at an appropriate time so that there is no resistance to planned change.

**Step 7—Implement the plan**

Once the decision to implement the plan and the mode by which the plan is to be implemented is decided, it is the responsibility of the various departments to implement the same. This may need notification, briefing sessions or inhouse seminars so as to ensure the acceptance of all members of the organizations, especially those who are likely to get affected. Implementation may be for a short duration as a one-time change of system or process but its aftermath is of great value. Employee reactions in terms of attitudes, aspirations, emotions and behaviour must be channelized in positive directions with change.

**Step 8—Evaluate and give feedback**

The result of the change must be evaluated and suitable feedback given. If modification to training and development causes a decrease in employee turnover, the objective of the change would be deemed to have been achieved. If the results are contrary to expectation, then a new change may be required to diagnose the cause.

## 8.4 RESISTANCE TO CHANGE

Although organizations initiate changes in order to adjust to the changes in their environments but people sometimes resist them. Therefore, managers need to recognize the manifestations of resistance both in themselves and in others, if they want to be more effective in supporting change.

The sources of resistance to change within organizations are classified into organizational sources of resistance and individual sources of resistance.

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### Organizational Sources of Resistance

According to Daniel Kantz and Robert L Khan, organizational sources of resistance can be divided into following six general groups.

1. Over determination or structural inertia refers to the tendency of an organization's rules, policies and structure to maintain the existing conditions and therefore resist change even when change would benefit the organization more than stability.
2. When an organization tries to change one of its division or part of the division without recognizing the interdependence of the division with other divisions of the organization, then it is said to have a narrow focus of change. Often a part of division cannot be changed without changing the whole division.
3. Group inertia may weaken an individual's attempt to bring about change.
4. Resistance may also take the form of threatened expertise if the change tends to weaken special expertise built after years of experience. Organizational restructuring that involves reducing the number of job categories often meets this kind of resistance.
5. Any change that may alter the power relationships within an organization may meet the form of resistance known as 'threatened power'.
6. Resistance may occur when a change threatens quantum of resource allocation from one part of the organization to another.

### Individual Sources of Resistance

According to researchers, individuals have the following reasons for resisting change:

- Simple habits create a lot of resistance. Most people prefer to do their work the way they did it last week rather than learn a new approach.
- Perhaps the biggest cause of employee resistance to change is uncertainty. In the face of impending change, employees are likely to become anxious and nervous. They worry about their ability to meet new job demands therefore, leading to feeling of job insecurity.
- Some people resist change to avoid feeling of loss. For example, many organizations change interventions and alter work arrangements, thus disrupting existing social networks. Social relationships are important to most people, so they resist any change that might adversely affect those relationships. Change may also threaten people's feelings of familiarity and self-confidence.
- People may resist change because their perceptions of underlying circumstances differ from the perceptions of those who are promoting the change.

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### Overcoming Resistance to Change

Managers need not abandon planned change in the face of resistance. Before recommending specific approaches to overcome resistance, there are three key conclusions that should be kept in mind. First, an organization must be ready for change. Second, the top management should inform the employees about the process of change. Third, the employees' perceptions or interpretations of a change should be considered.

The following methods of overcoming resistance to change are as follows:

- **Participation**: Participation is generally considered the most effective technique for overcoming resistance to change. Employees who take part in planning and implementing change are better able to understand the reasons for the change than those who are not involved. They become committed to the change and make it work. Employees who have the opportunity to express their own ideas and to understand the perspectives of others are likely to accept change gracefully. It is a time consuming process.
- **Education and communication**: Educating employees about the need for and the expected results of an impending change help reduce their resistance. Managers should maintain an open channel of communication while planning and implementing change. However, it is also a time consuming process.
- **Facilitation of change**: Knowing ahead of time that employees are likely to resist change then the manager should do as much as possible to help them cope with uncertainty and feeling of loss. Introducing change gradually, making only necessary changes, announcing changes in advance and allowing time for people to adjust to new ways of doing things can help reduce resistance.
- **Force-field analysis**: In almost any situation where a change is being planned, there are forces acting for and against the change. In force-field analysis, the managers list each set of forces and then try to remove or minimize some of the forces acting against the change.
- **Negotiation**: Where someone or some group will clearly lose out in a change and where that group has considerable power to resist, there negotiation is required. Sometimes it is a relatively easy way to avoid major resistance.
- **Manipulation and cooperation**: This is followed when other tactics will not work or are too expensive. It can be quick and inexpensive. However, it can lead to further problems if people feel manipulated.
- **Explicit and implicit coercion**: This is adopted where speed is essential and where the change initiators possess considerable power. It is speedy and can overcome resistance.

Each of the above methods has its advantages and disadvantages. There is no universal strategy for overcoming resistance to change. Hence, an organization that plans to introduce certain changes must be prepared to face resistance from its employees. An organization should also have a planned approach to overcome such resistances.

**Check Your Progress**

4. What is the first step of managing change within an organization?
5. What is generally considered the most effective technique for overcoming resistance to change?

## 8.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Strategic change is a change in the very mission of the organization.
2. Task-related environment has direct influence on the health of the organizations and it consists of customers, competitors, suppliers, labour, stockholders and so on.
3. Reactive change occurs when an organization must respond to environmental changes.
4. The first step to managing change is to develop new goals and objectives.
5. Participation is generally considered the most effective technique for overcoming resistance to change.

## 8.6 SUMMARY

- Change is a phenomenon that pushes us out of our comfort zone. It is for the better or for the worse, depending on how it is viewed. Change has an adjustment timeline that varies from person to person.
- A good leader looks beyond the illusion of 'changelessness' and unearths opportunities for change.
- The management should realize the value of effective employees' cooperation and collaboration, and motivation in the workplace. Before putting into practice a change in an organization, managers should understand that different people hold dissimilar opinions about change.
- There are various levels within the organizational domain where changes can be brought about for operational enhancement of the organization as well as desirable behaviour of members.

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- This external environment affects the organizations both directly and indirectly. The organizations have no control over the variables in such an environment. Accordingly, the organizations cannot change the environment but must change themselves to align with the environment.
- Managers who are interested in implementing change are required to be aware of two important aspects of change: (1) Diagnosis and (2) Implementation.
- Change is inevitable. Nothing is permanent, except for change. It is the management's duty to see that change is managed properly.
- Technology is a major external force that calls for change. In recent times, information technology (IT) has had a remarkable impact on the ability of managers to use information to arrive at a decision.
- According to Nadler discontinuous change involves a break from the past and a major reconstruction of the entire organization.
- Organizations must plan to implement change in a systematic manner. They must identify the field in which the change is required and ascertain whether it is strategic, structural, process-oriented or cultural.
- Although organizations initiate changes in order to adjust to the changes in their environments but people sometimes resist them.
- Managers need not abandon planned change in the face of resistance. Before recommending specific approaches to overcome resistance, there are three key conclusions that should be kept in mind.

## 8.7 KEY WORDS

- **Change:** It is defined as the act or process of doing something different.
- **Stakeholder:** It is a party that has an interest in a business enterprise and can either affect or be affected by the business.
- **Equilibrium:** It is a balance between several different influences or aspects of a situation.
- **Negotiation:** It is a strategic discussion that involves two or more parties that resolves an issue in a way that each party finds acceptable.

## 8.8 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. Briefly mention the different levels of change.

2. What are the causes of change?
3. Mention the steps which facilitate in managing organizational change.

**Long-Answer Questions**

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1. Evaluate the importance of organizational change.
2. Discuss the process of change.
3. Distinguish between proactive and reactive change.
4. What are the organizational sources of resistance to change? Discuss.
5. Explain the methods applied for overcoming resistance to change.

## 8.9 FURTHER READINGS

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# UNIT 9 ORGANIZATIONAL DEVELOPMENT

NOTES

**Structure**



## 9.0 INTRODUCTION

In the previous unit, you learnt about organizational change. In this unit, you will learn about organizational development (OD). The term 'Organization Development' was coined by Richard Beckhard in the mid-1950s, as a response to the need for integrating organizational needs with individual needs. OD came into prominence in the 1960s and grew in response to needs. OD is a strategy of intervention in which group processes focus on the entire culture of an organization so that a planned change could be brought about. According to Harold M. F. Rush, OD 'seeks to change beliefs, attitudes, values, structures and practices so that the organization can better adapt to technology and live with the fast pace of change'. It seeks to use behavioural science knowledge to help organizations to adjust more rapidly to change.

## 9.1 OBJECTIVES

After going through this unit, you will be able to:

- Discuss the meaning, nature and scope of organizational development
- Examine the merits and demerits of organizational development
- Describe the different phases of organizational development intervention

## 9.2 ORGANIZATIONAL DEVELOPMENT: OBJECTIVES, EVALUATION AND FOLLOW-UP

Organization development is an intervention strategy in which group processes are used to focus on the entire culture of development of an organization, so that

a planned change would be brought about. It makes use of laboratory training approaches, such as role-playing, management games and sensitivity training. It is important from the perspectives of society, customers and the workers themselves because overall costs are reduced that may result in reduction of wastage of human effort. In addition, the quality of the product improves and a more effective organizational climate is developed. Wendell L. French and Cecil H. Bell Jr., traced the development of OD to the pioneering effort of the National Training Laboratories and Esso Standard Oil Company, who began working on the problem of building better organizations and eventually OD evolved from their effort. There were two main reasons that made OD necessary; they are:

- The reward structure on the job did not adequately reinforce conventional training, so it often failed to carry over to the job.
- The second cause was the fast pace of change itself, which required organizations to be extremely effective in order to survive and prosper.

OD attempts to develop the whole organization so that it can respond to change more uniformly and capably. OD has its own shortcomings; Beckhard described the dilemma of integrating organizational needs with individual needs.

### Meaning of Organization Development (OD)

Organization development is a strategy for organizational improvement. The term 'Organization development' (OD) may be defined as a technique for changing the entire organization.

In the late 1950s and early 1960s, OD emerged out of insights from group dynamics and from the theory and practice of planned changes. Organization development deals in the way people and organizations function and the way to make them work better. OD programmes are long term, planned, sustained efforts. They are based on the knowledge of behavioural science disciplines such as psychology, social psychology, sociology, anthropology, systems theory, organizational behaviour, organization theory and management. The two major goals of OD programmes are:

(i) To better the working of individuals, teams and the entire organization

(ii) To teach organization members how to continuously improve their own functioning

It is a modern approach to the management of change and the development of human resources. It is an organization-wide planned change for improvement, through the use of behavioural science techniques. A healthier decision-making climate is promoted by organizational programmes that leads to improved organizational performance.

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### Objectives and Role of OD Programmes

The objectives of OD, as given by Wendell French are as follows:

- To build and enhance inter-personal trust, communication, cooperation and support among all individuals and groups throughout an organization
- To encourage an analytical problem-solving approach with a team spirit
- To enhance the sense of belonging of individuals to an organization so that individual and organizational goals are synchronized
- To extend the process of decision-making to the lowest operational level
- To increase personal responsibility for planning and implementation

### Features and Basic Assumptions of OD

The assumptions underlying OD programmes are

1. **Assumptions of dealing with individuals:** The two basic assumptions about individuals in organizations are:
   (a) Most individuals have drives towards personal growth and development. They want to develop their potential and ought therefore to be provided with an environment that is both supportive and challenging. In other words, an individual often wants to grow and develop as a person; this is stimulated and promoted by a supportive and challenging work environment.
   (b) Most people desire to make and are capable of making, a greater contribution to attaining organization goals than most organizational environments permit. The implication of this assumption is that people have expertise. Organizations must remove obstacles and barriers and reward success.
2. **Assumptions of dealing with groups:** These assumptions relate to the importance of work teams:
   (a) The most psychologically relevant reference group for most people is the work group. The work group greatly influences feelings of satisfaction and competence. Therefore, individual goals should be integrated into the group's goals.
   (b) Most people interact cooperatively with at least one small reference group.
   (c) Work groups are the best way to satisfy social and emotional needs at work. Consequently, work groups that are supportive, open and trusting will promote personal growth of an individual.
   (d) Often, individuals repress their feelings about work or colleagues, because they do not want to disbalance their work environment. However, this has an opposite effect as repressed feelings greatly

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affect a person's problem-solving skills, personal growth, and overall satisfaction with work. Attitudinal and motivational problems in organizations require interactive and transactional solutions. Such problems have the greatest chance of a constructive solution if all parties in the system alter their mutual relationship. Cooperation is always more effective than conflicts.

3. **Assumptions for designing organizations:** These assumptions relate to the importance of designing organizations. The following points may be considered:
   (a) Traditional hierarchical forms of organizations are obsolete. Therefore, experimenting with new organization structures and new forms of authority is imperative (very important/essential); creating cooperative rather than competitive organizational dynamics is a primary task of an organization.
   (b) An optimistic, developmental set of assumptions about people is likely to reap rewards beneficial to both, an organization and its members. Cooperation is always more beneficial.
   (c) Money or capital is not the most important resource of any organization, but its employees. Employees' work affects productivity and so they must be treated carefully. An organization can achieve higher productivity only when the individual goals are integrated with organizational goals.

### Nature and Scope

The main purpose of OD, according to Burton, is 'to bring about a system of organizational renewal that can effectively cope with environmental changes. In doing so, OD strives to maximize organizational effectiveness as well as individual work satisfaction.' Organizational development is the most comprehensive strategy for intervention. It involves all the activities and levels of management in ongoing problems that respond to external and internal sources.

Warner Burke described the following phases of an OD programme:

1. ***Entry:*** Entry represents the initial contact between consultant and client. It also examines the reasons that led to the selection of the consultant. It further determines the problem of the client that the consultant is hired to resolve, the opportunities that the organization is within to cash is on, and the smooth working relationship that should prevail.
2. ***Contracting:*** This refers to establishing mutual expectations; reaching agreements on expenditure of time, money, resources, and energy; and generally clarifying mutual expectations.
3. ***Diagnosis:*** This involves the identification of the slot where the problem arises by way of carrying out data collection and interpreting the same.

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It may be related to the department, the system, processes, the culture modification or the organizational is returned.

4. ***Feedback:*** In this phase, the analyzed information is returned to the client system and solution to the problem and its application explored. Thrust between the client and the specialist information is nurtured and extent the problem resolved and opportunities realized is ascertained.
5. ***Planning change:*** In this phase, the client decides what actions are to be taken; what alternatives are available and a critical analysis of the possibilities is conducted. The action plan is devised/selected from among the available and implemented.
6. ***Intervention:*** The action plan that is finally selected is implemented at this stage.
7. ***Evaluation:*** Assessing the results of the OD programme its success, changes in the organization structure, processes, systems, job design, and the total difference made to the organization are assessed. The overall OD programme is evaluated.

**Organizational Effectiveness**

Since successful OD efforts must have made meaningful changes in the performance and efficiency of the people and the organization, we need to have an evaluation procedure to verify this success; identify needs for new or continuing OD activities, and improve the OD process itself to help make future interventions more successful.

### 9.2.1 Merits and Demerits of Organizational Development

Workforce mobility and diversity are creating new employee needs along with new expectations about the work culture, and these needs, too, have to be systematically understood and responded to. HR leaders would be enjoined upon to become effective strategic partners in the creation of world class learning culture.

Indian organizations are no exception to these compulsions. Today, they face numerous challenges and complexities, operating, as they do, in a highly volatile political and economic environment. The current environment demands more systems-driven change without undermining the emphasis on people and relationship-oriented changes. Indian economy is increasingly getting integrated with the global economies both structurally and psychologically. Silicon Valley of US led to Silicon Valley pockets in Bangalore and Hyderabad. The styles of living and the ways of interactions in several organizations are driven by what was happening in the west from day one.

Most Indian organizations have been more oriented towards their people and relationships rather than being driven by the systems. However, with the upcoming global competition, it is extremely important that Indian organizations

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should also stand up to face this competition in a highly competitive manner. The change has to be in a direction where the organizations need to move away from borrowed technologies to their own technological development and concentrated efforts on research and development. Additionally, there is a need to also drift away from relationship and people, driven organizations to more competent, skilled and professional employees who are rather system driven. Thus, there is an emergent need for organizational development in most Indian organizations.

Some of the merits or advantages of organizational development are as follows:

- **Change throughout the organization:** As a result of OD programs, development activities are undertaken throughout the whole organization.
- **Greater motivation:** The completion of an organizational development program results in increased motivation in the organization.
- **Increased productivity:** Research has shown that the completion of organizational development programs result in increase in productivity in employees. .
- **Better quality of work:** OD programs leads to better quality of work.
- **Improved teamwork:** The completion of OD programs results in improved teamwork among employees.
- **Increased willingness to change:** OD program creates the awareness to accept change without resistance.
- **Reduces absences:** Absenteeism is reduced and employees attend the office and work in time which leads to high productivity.
- **Lower turnover:** Turnover is one of the problems of an organization through OD program employee turnover rate becomes lower.

Despite these advantages, organizational development also has certain demerits. These are:

- **Major time requirements:** OD programs take a long time to complete.
- Substantial expenditure: An organizational development program requires huge expenditure on part of the company.
- **Delayed pay off period:** In some cases, the OD program is affected by delayed pay off period. That is why some organizations become reluctant.
- **Emphasis on group process:** Very often the emphasis is laid on group process. If the group does not mean so or take it seriously, the OD program is affected.
- **Difficulty in evaluation:** It is difficult to evaluate OD programs. This makes organizations reluctant to undergo them.

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**Check Your Progress**

1. Who coined the term 'organizational development'?
2. What is the main purpose of OD?
3. List one demerit of OD.

## 9.3 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. The term 'organizational development' was coined by Richard Beckhard in the mid-1950s.
2. The main purpose of OD, according to Burton, is 'to bring about a system of organizational renewal that can effectively cope with environmental changes.
3. One demerit of OD is that it is very difficult to evaluate OD programs. This makes organizations reluctant to undergo them.

## 9.4 SUMMARY

- The term 'Organization Development' (OD) was coined by Richard Beckhard in the mid-1950s, as a response to the need for integrating organizational needs with individual needs.
- Organization development is an intervention strategy in which group processes are used to focus on the entire culture of development of an organization, so that a planned change would be brought about.
- According to Wendell L. French and Cecil H. Bell, Jr., 'Organization Development is a systematic process for applying behavioural science principles and practices in organizations to increase individual and organizational effectiveness.'
- The main purpose of OD, according to Burton, is 'to bring about a system of organizational renewal that can effectively cope with environmental changes. In doing so, OD strives to maximize organizational effectiveness as well as individual work satisfaction.'
- Workforce mobility and diversity are creating new employee needs along with new expectations about the work culture, and these needs, too, have to be systematically understood and responded to.
- Most Indian organizations have been more oriented towards their people and relationships rather than being driven by the systems. However, with

the upcoming global competition, it is extremely important that Indian organizations should also stand up to face this competition in a highly competitive manner.

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## 9.5 KEY WORDS

- **Contracting:** This refers to establishing mutual expectations; reaching agreements on expenditure of time, money, resources, and energy; and generally clarifying mutual expectations.
- **Turnover:** It means the rate at which employees leave a workforce and are replaced.
- **Productivity:** It refers to the effectiveness of productive effort, especially in industry, as measured in terms of the rate of output per unit of input.

## 9.6 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. Define organizational development.
2. What are the objectives of OD programmes?

**Long-Answer Questions**

1. Explain the features of an OD programmes.
2. Describe the merits and demerits of organizational development.

## 9.7 FURTHER READINGS

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## BLOCK - IV
## ORGANISATION AND ITS ENVIRONMENT

# UNIT 10 ORGANIZATIONAL CULTURE AND CLIMATE

**Structure**



## 10.0 INTRODUCTION

Organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behaviour of its members. It is also known as corporate culture, and has a major impact on the performance of organizations and especially on the quality of work life experienced by the employees at all levels of the organizational hierarchy. The corporate culture consists of the norms, values and unwritten rules of conduct of an organization as well as management styles, priorities, beliefs and interpersonal behaviours that prevail. Together they create a climate that influences how well people communicate, plan and make decisions. Strong corporate values let people know what is expected of them. There are clear guidelines as to how employees are to behave generally within the organization and their expected code of conduct outside the organization. Also, if the employees understand the basic philosophy of the organization, then they are more likely to make decisions that will support these standards set by the organization and reinforce corporate values.

## 10.1 OBJECTIVES

After going through this unit, you will be able to:

- Define organizational culture
- Evaluate the significance of organizational culture

- Discuss the creation and maintenance of culture
- Examine the theories of organizational culture
- Discuss organizational climate and its determinants

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## 10.2 TYPES AND DETERMINANTS OF ORGANIZATIONAL CULTURE

While culture has been a continuous development of values and attitudes over many generations, at least the organizational culture can be partially traced back to the values held by the founders of the organization. Such founders are usually dynamic personalities with strong values and a clear vision as to where they want to take their organizations. These founders usually selected their associates and their employees who had a similar value system so that these values became an integral part of the organization.

Secondly, the organizational culture is influenced by the external environment and the interaction between the organization and the external environment. For example, one organization may create a niche for itself for extremely high quality defect-free product as a result of competitive forces and customer demand, while another organization may opt for moderate quality but lower prices. The work cultures at these two types of organizations would accordingly differ and would be influenced by external forces such as customer demand.

Thirdly, work culture is also a function of the nature of the work and mission and the goals of the organization. For example, in a professional, research oriented small organization, the workers may be more informal at all hierarchical levels of the organization, the dress code may not be strictly observed and the employees may be encouraged to be independent and innovative. In contrast, other organizations may have a strictly enforced formal classical hierarchical structure with clearly established channels of communications and strict adherence to work rules. Accordingly, the organizational culture of these two types of organizations would be different.

Much has been written and talked about Japanese management styles. Almost invariably, the economic success of Japanese society is associated with Japanese culture. The cultural aspect of organizational performance came into focus with Theory Z, proposed by William Ouchi in 1981. Even though Theory Z draws heavily on Japanese approach to management, it is more a combination of the current American as well as Japanese style of managing an organization. Basically, Ouchi's approach to management calls for:

- Consensus decision-making.
- Worker participation in all phases of organizational operations.
- Genuine concern for the overall well-being of employees.
- Life time job security.

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The importance of strong culture as a driving force for organizational success was emphasised by Peters and Waterman in their well-received book, *In Search of Excellence*. They observed:

> Without exception, the dominance and coherence of culture proved to be an essential quality of the excellent companies. Moreover, the stronger the culture and the more it was directed towards the marketplace, the less need was there for policy manuals, organization charts and detailed procedures and rules. In these companies, people, way down the line know what they are supposed to do in most situations because the handful of guiding values is crystal clear.

Some of the cultural differences in a typical American organization as compared to a typical Japanese organization can be seen in the following comparison in various areas and aspects of organizational operations and performance.

**Organizational Climate**

The process of quantifying culture in an organization is called organizational climate. This is also referred as corporate culture. According to this process, an employee's behaviour is influenced by a set of guidelines laid down by the organization.

There are different approaches to define organizational climate, which are based on how to define climate and how to measure it effectively on different stages. These two approaches are as follows:

- Cognitive Schema
- Shared perception

The cognitive schema approach regards climate as an individual perception and as the work of environment. Therefore, according to this perspective climate assessments should be covered individually. The shared perception approach on the other hand gives importance to other perceptions vis-à-vis climate and has also been defined as the shared perception of the way things are around here. It is to be noted that there are major overlaps in both the approaches.

- **Cognitive schema approach:** Schemas are known to be mental structures that perceive the world. They are said to be organized in memory of associative network in which schemes of similar nature are clubbed together. Thus, when a particular schema is activated, the relating schemes will get activated too. Relative schemes become more accessible in the associative network. If the schema is more accessible it can be used directly and quickly to a particular situation. When related schemas are activated they tend to influence social behaviour. However, it is also important to know that a person may or may not be aware when a schema is activated.

  Accessibility of schema is increased by the process of salience and priming. Salience can be defined as the degree to which one social object stands out in respect to other social objects in a given situation. This

means that the higher the salience of a social object, more accessibility will be there for the related schemas whereas priming refers to experiences prior to a situation that make a schema more accessible.

- **Shared perception approach:** This approach discusses the variables which influence an organization's ability to mobilize their employees in order to get their business targets met and also to maximize employee performance. Under this model, the staff of an organization is surveyed to identify and measure aspects of a workplace which affects the quality of work life.

### Creation and Maintenance of Culture

The traditions and way of life of the employees create culture in an organization. The organizational culture is known by its employees' behaviour and attitudes. The early traditions are the basis of culture in an organization. The vision and functions of an organisation are the creators of culture. Accumulated traditions and methods of functions are culture. The ideology and customs of organisational functions are organisational culture. An organisation develops progressive ideas and technological development for forming a good culture in an organisation. The mission and vision of the founder members of an organisation are the basis for creating the organisational culture. Hard work, competitive spirit and a disciplined way of life of the founders have created a disciplined organisational culture for improving the performance. The vision of Ratan Tata and Ghanshyam Das Birla has created the Tata culture and Birla culture respectively in the Tata Group and the Birla Group. They are known by their organisational culture.

### Sustaining Culture

Sustaining and maintaining culture is essential for the organisation to make it a permanent source of energy. The experience gained by predecessors must be continued by the subsequent successors. An improvement for the better must be introduced into the existing culture. Reinforcement of learning, performance evaluation criteria, reward system, promotion procedures, etc. should be continued as it existed in the vision of the founders. Maintaining the culture does not mean that the organisations should adhere to a cultural paradox. The changing environment is absorbed in the dynamic culture of an organisation. The top management, selection, training-- and development programme and socialisation are the important methods of sustaining culture.

***Top management:*** The attitudes of the top management should continue to guide the organisational functions. The culture is maintained by adhering to old values and developmental attitudes. They have certain norms and values which flow in the minds of sub-ordinates. The culture sponsored by the top management continues in the employees of an organisation. The latter follows the former. The top management decides and subordinates work. The dress recommended, the job designs suggested and other factors are taken into account for keeping culture

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alive. Tata Groups perpetuate a risk-taking, bold and innovative culture. HMT is dedicated to a culture of quality and innovative vision as the top management are practicing it themselves.

***Selection:*** Culture is maintained by a proper selection policy. People who are qualified and experienced must be appointed ignoring those persons who want an entry on a pull-push basis. If needed persons are appointed, the organisation can maintain work culture. On the contrary, if people are appointed based on political support, they are bound to destroy the existing work culture. The vision, mission and policy of a sound organisation must not be bypassed while selecting the people for work performance. In India, the public sector could not maintain the real character of the public sector because of a defective selection policy. But, those public enterprises which have been given autonomy and have no interference from politicians have worked satisfactorily. Indian Oil, Oil and Natural Gas Commission, Life Insurance Corporation of India and Steel Authority of India have been successful in maintaining some of the policies of a sound public sector. People who do not have the core values of an organisation must not be appointed because they will destroy the very structural value of the organisation.

***Training and development programme:*** After selection and placement, an organisation should adopt a training and development programme based on the values of the organisation. Employees learn the values of the organisation. Training and development programmes are channelized for enhancing the culture of an organisation. Video films, practicing lectures and problem solutions are the important components of a value sustaining process. The instructor should identify the problems of learners so that they can be directed towards the cultural values of the organisation. The traits and qualities of the employees are used for instrumenting the employees on the values of the organisation.

***Socialisation:*** The employees are indoctrinated in the organisation's culture through the adaptation process which is called socialisation. New employees are put in the culture of an organisation through on the job and sensitive training. An intensive training programme is instituted to make the new employees accustomed with the values of the organisation which includes performing all the activities from the early morning to sleeping time. The whole day is systematically scheduled to make the employees learn all the cultures of an organisation. The organisational culture is maintained not only in the form of work functions but also in dining, dressing and developmental activities. New graduates can easily learn all the cultural values of an organisation through the intensive training programme.

Employees prove their commitment with the cultural values of the organisation after getting the intensive training programme. The newly appointed employees remain in good standing. They learn the pivotal role or basic values of an organisation. People who fail to learn the basic values of an organisation after training are termed as 'non-conformists'. They become rebels if they have values contrary to the organisational values. These employees are further brought to a

steep socialisation process, i.e. prearrival stage, encounter stage and metamorphosis stage.

***Prearrival stage:*** The values, attitudes and personalities of newly appointed employees are assessed for driving them towards the organisational culture. Their weaknesses are revealed to paste them with the organisational values. Modification and smoothening of their existing values are made by the management towards the culture of an organisation. Employees might have knowledge of socialisation of the business functions. It is revealed how their socialisation has not moved towards the organisational values. The diagnosis reveals the possibilities of a complete socialisation of the organisational culture. Their firmness, rigidity, unfaithfulness and other anti-attitudes are smoothened to make their uses in different functions of required values. Psychologists and behaviourists are invited to smoothen their individual values towards the organisational values.

***Encounter stage:*** The employees, after entering into business functions, find the activities against their attitude and expectations. The expectations of the employees may or may not be equal to the reality of the business policy, procedures and fellow workers' attitudes. If expectations are not very far from the reality in the organisation, they reinforce the values of the organisation. A smoothening process is used in this case. When expectations are far from the reality, the employees are required to replace their existing style with the organisational policy. The employees should try to adopt themselves to the values of the organisational culture. If they fail to adopt, they are put in adverse conditions. They should not be permitted to destroy the existing culture of the organisation. They are forced to resign if they do not perform according to the norms and values of the organisation after their intensive training programme.

***Metamorphosis stage:*** Employees are required to change their values which are contrary to those of the organisation. The socialisation process is reintroduced for emphasising divestiture, stripping away and replacing their own values. Perception, learning and personality development programmes are used to change the values of the employees to bring them on par with those of the organisation. The group values and norms are made sacred objectives which should be achieved by individuals. Role models are used to train and encourage the employees. Monitoring and self-exercise programmes are held to make people organisation-minded. A serial socialisation is needed for changing the employees' values for organisational values.

## 10.3 CHANGING ORGANIZATIONAL CULTURE

Although international business, to some degree, has existed for centuries, the second half of the last century was most influential in bringing the world closer to itself. The world, since 1950s has entered an era of unprecedented global economic activity, including worldwide production, distribution and global strategic alliances.

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More recently, in the last decade of the last century, India and China have opened up for entry of multinational companies. Some other closed markets under communism and social economies, such as one time Soviet Union and Eastern Europe have joined the international economic arena. Some multinational companies such as IBM, GE, BP and Siemens do business in more than 50 countries. According to Mitroft, 'For all practical purposes all business today is global. Firms, industries and whole societies that clearly understand the new rules of doing business in a world economy will prosper; those that do not will perish'.

Culture defines behaviour of people and organizations and international managers are increasingly recognizing the influence of national culture on organizational functioning. They are being trained in acquiring the skills of cross-cultural management and they study the behaviour of people in organizational settings around the world. They seek to understand and improve the interaction with co-workers, clients, suppliers and alliance partners from different countries and cultures. Often multilingual, the global manager thinks with a world view and develops his strategy on the basis of diverse beliefs, behaviour and practices of people of different countries. He adopts well to different business environments and solves problems quickly relative to the environment he is in. He understands and respects different government and political systems and he communicates in the cultural context of a given class of people. Experienced international managers understand the need for 'global mindset' of cultural adaptability, flexibility, patience and respect.

## 10.4 IMPACT OF ORGANIZATIONAL CLIMATE AND CULTURE

Culture to an organization is an intangible force, with far reaching consequences. It plays several important roles in organizations. Different functions performed by culture are discussed below.

### Culture Gives a Sense of Identity to Its Members

An organization's culture provides a sense of identity to its members. The more clearly an organization's shared perception and values are defined, the more strongly people can associate themselves with their organization's mission and feel a vital part of it.

### Culture Helps to Generate Commitment Among Employees

The second important function of culture is generating commitment to the organization's mission. Sometimes it is difficult for people to go beyond thinking of their own interest: How will this affect me? However, when there is a strong, overarching culture, people feel that they are part of that larger, well-defined whole and involved in the entire organization's work. Not just focussed on any one individual's interest, culture reminds people of what their organization is all about.

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### Culture Serves to Clarify and Reinforce Standards of Behaviour

A third important function of culture is that it serves to clarify and reinforce standards of behaviour. While it is essential for newcomers, it is also beneficial for veterans. In essence, culture guides employees' words and deeds, making it clear what they should do or say in a given situation. In this sense, it provides stability to behaviour, both with respect to what an individual might do at different times and what different individuals may do at the same time. For example, in a company with a culture that strongly supports customer satisfaction, employees will have clear guidance as to how they are expected to behave; doing whatever it takes to please the customer. By serving these important roles, it is clear that culture is an important force influencing behaviour in organizations.

### Theories

No single framework for describing the values in organizational culture has emerged; however, several frameworks have been suggested. Although these frameworks were developed in the 1980s, their ideas about organizational culture are influential even today. Some of the "excellent" companies that they described are less excellent now, but the concepts are still used in companies all over the world. Managers should evaluate the various parts of the frameworks described and use the parts that fit the strategic and cultural values for their own organization.

#### 1. The Ouchi Framework

One of the first researchers to focus explicitly on analysing the culture of a limited group of firms was William G. Ouchi (1981). Ouchi analysed the organizational culture of three groups of firms, which he characterized as (1) typical US firms, (2) typical Japanese firms, and (3) type Z US firms.

Based on his analysis, Ouchi developed a list of seven points on which these three types of firms can be compared. He argued that the cultures of typical Japanese firms and US type Z firms are very different from those of typical US firms and that these differences explain the success of many Japanese firms and US type Z firms and the difficulties faced by typical US firms. The seven points of comparison developed by Ouchi are as follows:

**(i) Commitment to employees**

According to Ouchi, typical Japanese and Type Z US firms share the cultural value of trying to retain employees. Thus, both types of firms layoff employees only as a last resort. In Japan, the value of "keeping employees on" often takes the form of lifetime employment. This cultural value is manifested in a commitment of what Ouchi called "long-term employment."

Ouchi suggested that typical US firms do not have the same cultural commitment to employees as Japanese firms and US type Z firms do. In reality, American workers and managers often spend their entire careers in a relatively small number of companies. Still there is a cultural expectation that if there is a serious

downtown in a firm's fortune, change of ownership, or a merger, workers and managers will be let go.

**(ii) Evaluation**

Ouchi observed that in Japanese and type Z US companies, appropriate evaluation of workers and managers is thought to take a very long time—up to 10 years—and requires the use of qualitative as well as quantitative information about performance. For this reason, promotion in their firms is relatively slow, and promotion decisions are made only after interviews with many people who have had contacts with the person being evaluated.

**(iii) Careers**

Ouchi next observed that the careers most valued in Japanese and Type Z US firms span multiple functions. In Japan, this value had led to very broad career paths, which may result in employees gaining experience in six or seven distinct business functions. The career paths in type Z US firms are somewhat narrower.

However, the career path valued in typical US firms is considerably narrower. Ouchi's research indicated that most US managers perform only one or two different functions in their careers. This narrow career path reflects the value of specialization that is part of so many US firms.

**(iv) Control**

All organizations must exert some level of control to achieve coordinated action. Thus, it is not surprising that firms in the US and Japan have developed cultural values related to organizational control on how to manage it. Most Japanese and type Z US firms assume that control is exercised through implicit, informal mechanisms. One of the most powerful of these mechanisms is the organizational culture.

In contrast, typical US firms expect guidance to come through explicit directions in the form of job descriptions, delineation of authority, and various rules and procedures, rather than informal and implicit cultural values.

**(v) Decision-making**

Japanese and type Z US firms have a strong cultural expectation that decision making occurs in groups and is based on the principles of full information sharing and consensus. In most typical US firms, individual decision making is considered appropriate.

**(vi) Responsibility**

Here, the parallels between Japanese firms and type Z US firms break down. Ouchi showed that in Japan strong cultural norms support collective responsibility, that is, the group as a whole, rather than a single person, is held responsible for decisions made by the group. However, in type Z US firms and typical US firms, individuals are expected to take responsibility for decisions.

**(vii) Concern for people**

In Japanese firms and type Z firms, the cultural value that dominates is a holistic concern for workers and managers. Holistic concern extends beyond concern for a person simply as a worker or a manager to concern about that person's home life, hobbies, personal beliefs, hopes, fears, and aspirations. In typical US firms, the concern for people is a narrow one that focuses on the workplace. A culture that emphasizes a strong concern for people, rather than the one that describes a work task orientation can decrease worker turnover (Powell and Mainiero 1993).

### Theory Z and performance

Ouchi argued that the cultures of Japanese and type Z firms help them outperform typical US firms. Toyota imported the management style and culture that succeeded in Japan into its manufacturing facilities in North America. Toyota's success has often been attributed to the ability of Japanese and type Z firms to systematically invest in their employees and operations over long periods, resulting in steady and significant improvement in long-term performance.

### 2. The Peters and Waterman Approach

Tom Peters and Robert Waterman (1982) in their best seller "In search of Excellence" focused even more explicitly than Ouchi on the relationship between organizational culture and performance. Peters and Waterman chose a sample of highly successful US firms and sought to describe the management practices that led to their success. Their analysis rapidly turned to the cultural values that led to successful management practices. Some of the excellent values practiced in the sample firms are as follows:

**(i) Bias for action**

According to Peters and Waterman, successful firms have a bias for action. Managers in these firms are expected to make decisions even if all the facts are not in. They argued that for many important decisions, all the facts will never be in. Delaying decision making in these situations is the same as never making decisions. Meanwhile, other firms probably will have captured whatever business initiatives that existed. On average, according to these authors, organizations with cultural values that include a bias for action outperform firms without such values.

**(ii) Stay close to the customer**

Peters and Waterman believe that firms which value customers over anything else outperform firms without this value. The customer is a source of information about current products, a source of ideas about future products, and responsible for the firm's current and future financial performance. Focusing on the customer, meeting the customer's needs, and pampering the customer when necessary lead to superior performance.

**(iii) Autonomy and entrepreneurship**

Peters and Waterman maintained that successful firms fight the lack of innovation and the bureaucracy usually associated with large size. They do this by breaking the company into smaller, more manageable pieces and then encouraging independent, innovative activities within smaller business segments. Stories often exist in these organizations about the junior engineer, who takes a risk and influences major product decisions, or of the junior manager, who implements a new and highly successful marketing plan because he is dissatisfied with the current plan.

**(iv) Productivity through people**

Peters and Waterman believe that successful firms recognize that their most important assets are their people—both workers and managers—and that the organization's purpose is to let its people flourish. It is a basic value of the organizational culture—a belief that treating people with respect and dignity is not only appropriate but also essential to success.

**(v) Hands-on management**

They also noted that the firms they studied insisted that senior managers stay in touch with the firm's essential business. It is an expectation, reflecting deeply embedded cultural norms that managers should not manage from behind the closed door of their offices but by "wandering around" the plant, the design facility, the research and development department, and so on.

**(vi) Stick to the knitting**

Another cultural value characteristic of excellent firms is their reluctance to engage in business outside their areas of expertise. These firms reject the concept of diversification, the practice of buying and operating businesses in unrelated industries. This notion is currently referred to as relying on the "core competencies," or what the company does best.

**(vii) Simple form, lean staff**

According to Peters and Waterman, successful firms tend to have few administrative layers and relatively small corporate staff group. In companies that are managed excellently, importance is measured not only by the number of people who report to the manager but also by the manager's impact on the organization's performance. The cultural values in these firms tell managers that the performance of the staff is more important than their number.

**(viii) Simultaneously loose and tight organization**

The final attribute of organizational culture identified by Peter and Watermen appears contradictory. The firms are tightly organized because all their members understand and believe in the firm's values. This common cultural bond is the strong glue that holds the firms together. At the same time, however, the firms are loosely organized because they tend to have less administrative overheads, fewer staff members, and fewer rules and regulations. The result is increased innovation and risk taking and faster response time.

### 3. The Udai Pareek Approach

According to Pareek (2002), there are eight values that govern the culture of an organization. These eight values together are responsible for making the culture of an organization strong or weak. These are as follows:

**(i) Openness**

As the term implies openness refers to free sharing of thoughts, ideas, and feelings with each other in an organization. The open environment of the organization results in a culture where employees have no reservation or negative hidden feelings against each other. In situations of disagreements they are able to come out openly and share their concerns with each other. Openness also deals with doing away with the physical boundaries and erected walls in the organizations. Openness has to be practiced both in terms of giving as well as receiving information at all levels in the organization.

**(ii) Confrontation**

With openness comes the ability to face the situation as it comes to us rather than move away from it. In cases where there is willingness to face the problem and solve it, many interpersonal differences are resolved and individuals come forward with their ideas and solutions.

**(iii) Trust**

The surety with which people can share their confidential information with each other without the fear of it being known all over the organization reflects the level of trust in the organization. In organizations where trust is high among employees, there is better problem solving and less stress.

**(iv) Authenticity**

This refers to the equivalence that members of an organization have between their words and deeds. If people do what they say and feel, it leads to high level of openness and trust in organizations.

**(v) Proactivity**

Proactive organizations are ready to face any eventuality and are prepared for adversaries too. Proactive individuals are more calm and relaxed in their behaviour towards others. With proactivity, there is a possibility of thinking and planning ahead and being prepared to encounter situations or individuals.

**(vi) Autonomy**

It involves giving enough space to other individuals in the organization as you would seek for yourself. A person with knowledge and competence should be given freedom to take the decisions for the department or the organization. This promotes a sense of achievement and self-confidence among employees thereby leading to mutual respect.

**(vii) Collaboration**

Organizations consist of individuals who are expected to work together in a group and this sense of togetherness can only be generated by the top management in organizations. People should be forced to learn to work together to develop a sense of team spirit. It will result in openness, trust among members, sharing, and a sense of belongingness and commitment to the organization.

**(viii) Experimentation**

In this age of scarce resources, and fast change, any organization which is not willing to try out new and better ways of working is likely to perish fast. Individuals as well as organizations can sustain themselves only if they are able to experiment with the available resources and identify and develop better approaches to deal with the problems. There has to be out of the box thinking in which nothing that is obsolete is likely to be accepted.

### Issues in Organizational Culture

The following are some of the issues in organizational culture:

- Maintaining the organizational culture. This involves employee engagement at all times
- Reinforcing organizational culture through different actions so that the employees do not forget that the ideas of the organizational are not for a one time show or biased towards one group etc.
- Many times the employees might get the feeling that the organizational culture is to be maintained overall and that they are not important part of it. So, it is crucial that the managers ensure that every employee understands that he/she is important in the process.
- Employees rely on their instincts which might or might not be based on evidence or are actually opposing to the organization. It is important that the organizational culture is clearly understood and maintained.
- The organization culture might become outdated or regressive if they are not adaptive to the change in the environment.
- The different departments in the organization might become a hindrance to organizational culture if the employees create invisible walls between themselves.

**Check Your Progress**

1. Name the two schemes used to define and measure the organizational climate.
2. List the eight values that govern the organizational culture as per the Udai Pareek approach.

## 10.5 DETERMINANTS OF ORGANIZATIONAL CLIMATE



At the very onset of this topic, it is useful to distinguish between determinants and dimensions of organizational climate (OC). Determinants are the causes, while dimensions are the components of OC. You may say, determinants are those which influence whereas dimensions are those which are influenced.

Although OC refers to the internal environment of an organization, the nature of OC is determined by a variety of internal and external factors. One of the basic premises of organizational behaviour is that outside environmental forces influence events within organizations. After acknowledging the dynamics of internal as well as external factors in this section, we will consider in greater detail the following seven internal factors. You will find these factors as determinants of OC in the following order:

1. Economic Condition
2. Leadership Style
3. Organizational Policies
4. Managerial Values
5. Organizational Structure
6. Characteristics of Members
7. Organizational Size

Let us discuss these factors in detail.

**1. Economic Condition**

Several dimensions of OC are influenced by an organization's position on the economic cycle. The economic condition of any organization influences whether its budget should be 'tight' or 'loose'. In times of prosperity-when budgets are more loose than tight-the organization tends to be more adventuresome. On the other hand, tight budget would lead to an air of caution and conservatism within an organization. Few managers are willing to suggest new programmes (probably deserving merit) when the order from above is to exercise tight control over expenses. So, dimensions of OC like 'Risk-taking', 'Control', 'Progressiveness and Development' etc. are directly influenced by economic conditions.

**2. Leadership Style**

The leadership style prevailing in an organization has a profound influence in determining several dimensions of OC. The influence is so pervasive that you may often wonder whether OC is a product of the philosophy and practices of prominent persons in an organization.

Consider, for example, the results of an experimental study where three organizations were 'created' by simulation. All these three Organizations-A, B and

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C-were identical in terms of nature of business, size of the organization, characteristics of employees, and initial economic condition. The major difference among these three organizations was the 'leadership style'. Organization A was characterised by authoritarian style with high power motivation. Organization B was characterised by democratic style with affiliation motivation. Organization C was characterised by goal directed style with achievement motivation.

**3. Organizational Policies**

Specific organizational policies can influence a specific dimension of OC to quite an extent. For example, if the company policy states that layoffs will be used only as a last resort to cope with business downturn, then it would, in general, foster an internal environment that is supportive and humanistic.

Similarly, if you are working in a company where it is agreed that the first beneficiaries, of increased profit would be the employees of that organization and shareholders would get second priority, then the OC will be characterised by High Reward Orientation and probably by High Progressiveness and Development.

**4. Managerial Values**

The values held by executives have a strong influence on OC because values lead to actions and shape decisions. Values add to perceptions of the organization as impersonal, paternalistic, formal, informal, hostile or friendly.

**5. Organizational Structure**

The design or structure of an organization affects the perception of its internal environment. For example, a bureaucratic structure has an OC much different from a System 4 organization. What is a System 4 organization? According to Rensis Likert, all organizations can be classified into four major groups, depending upon the way basic organizational processes are conducted. These major groupings are as follows:

System 1 - Exploitative Authoritative

System 2 - Benevolent Authoritative

System 3 - Consultative

System 4 - Participative

How does one know whether an organization should be categorised as System 1 or 2 or 3 or 4? It depends on the way following processes are perceived and rated in an organization:

- Leadership process
- Motivation process
- Communication process
- Decision-making process
- Goal-setting process
- Control process

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Employees of an organization rate these processes on a rating scale; asking questions like the following:

- How much confidence is shown in subordinates?
- Where is responsibility felt for achieving organization goals?
- How well superiors know problems faced by subordinates?
- How much covert resistance to goals is present?
- At what levels are decisions formally made?
- Is there an informal organization resisting the formal one?

Based on the answers to these questions, an organization can be classified as system 1 or 2 or 3 or 4. A bureaucratic structure is likely to be rated as System 2 or System 3. A System 4 organization will have a distinct OC where the main theme would be strong involvement and self-control of all organization members at all levels in all basic organizational processes

**6. Characteristics of Members**

Personal characteristics of the members of an organization also affect the climate prevailing in the organization. For example an organization with well educated, ambitious and younger employees is likely to have a different OC than an organization with less educated, and less upwardly mobile, older employees. The former might inculcate an environment of competitiveness, calculated risk-taking, frankness of opinions, etc.

**7. Organizational Size**

In a small sized organization it is much easier to foster a climate for creativity and innovation or to establish a participative kind of management with greater stress on horizontal distribution of responsibilities. On the other hand, in a large organization it is easier to have a more authoritative kind of management with stress on vertical distribution of responsibilities. This in turn leads to distinct environments as has been explained with the help of the concept of System 4 organization.

We have now studied seven basic determinants of OC. The list is not exhaustive but these are the basic internal factors determining the internal environment of an organization.

Note that OC is not influenced by factors existing within the organization only. Societal forces help shape OC as well. To understand societal influences on OC, let us consider an example in relation to the changing profile of existing and future employees. You may have noticed at least two changes which are taking place in our society. First, educational level of employees of all categories is rising. Second, societal values toward recreational and leisure activities are becoming stronger. The effect of the first change is in the expectations of employees. People want more satisfying and fulfilling work which should match their qualifications and abilities. The impact of the second change is that the passion for non-work is increasing: people feel less passionate about job performance. So, while one change

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is pushing towards increased professionalism, the other change is pulling towards leisure-orientation. Against these backdrops of societal forces influencing the profiles of the employees, the content of the job and the organization processes determine the OC. To sum up, OC is determined by a variety of internal and external factors where internal factors are specific to the organization while external factors refer to a number of societal forces.

**Measuring Organizational Climate**

A good organizational climate is the basis for successful operation of any organization. It substantially contributes to the well-being of the employees, affects their feeling of belonging and work motivation. It is good to know what the organizational climate is within the company and its individual units. The most basic way of measuring the organizational climate is through a questionnaire. It is important to recognize that every firm is unique and formulate the questionnaire according to the specifics. But measuring the climate is only the first step. Then we need to focus on the analysis and prepare changes based on the results.

**Check Your Progress**

3. List the determinants of organizational climate.
4. How does economic condition affect organizational climate?

## 10.6 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. The two schemes used to define and measure the organizational climate are the following:
   - Cognitive schema approach
   - Shared perception approach
2. The eight values that govern the organizational culture as per the Udai Pareek approach are the following:
   - Confrontation
   - Trust
   - Authenticity
   - Proactivity
   - Autonomy
   - Collaboration
   - Experimentation

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3. The determinants of organizational climate are as follows:
   - Economic condition
   - Leadership style
   - Organizational policies
   - Managerial values
   - Organizational structure
   - Characteristics of members
   - Organizational size
4. Several dimensions of organizational climate are influenced by an organization's position on the economic cycle. The economic condition of any organization influences whether its budget should be 'tight' or 'loose'. In times of prosperity-when budgets are more loose than tight-the organization tends to be more adventuresome. On the other hand, tight budget would lead to an air of caution and conservatism within an organization.

## 10.7 SUMMARY

- Organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behaviour of its members. It is also known as corporate culture, and has a major impact on the performance of organizations and especially on the quality of work life experienced by the employees at all levels of the organizational hierarchy.
- While culture has been a continuous development of values and attitudes over many generations, at least the organizational culture can be partially traced back to the values held by the founders of the organization.
- The process of quantifying culture in an organization is called organizational climate. This is also referred as corporate culture. According to this process, an employee's behaviour is influenced by a set of guidelines laid down by the organization.
- The traditions and way of life of the employees create culture in an organization. The organizational culture is known by its employees' behavior and attitudes. The early traditions are the basis of culture in an organization.
- Sustaining and maintaining culture is essential for the organization to make it a permanent source of energy. The experience gained by predecessors must be continued by the subsequent successors.
- Although international business, to some degree, has existed for centuries, the second half of the last century was most influential in bringing the world closer to itself.
- Culture to an organization is an intangible force, with far reaching consequences. It plays several important roles in organizations.

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- No single framework for describing the values in organizational culture has emerged; however, several frameworks have been suggested. Although these frameworks were developed in the 1980s, their ideas about organizational culture are influential even today.
- According to Ouchi, typical Japanese and Type Z US firms share the cultural value of trying to retain employees.
- Business ethics is the application of ethical values to business behaviours. It applies to the code of conduct of an organization and, therefore, relates to its culture.
- Although OC refers to the internal environment of an organization, the nature of OC is determined by a variety of internal and external factors.
- A good organizational climate is the basis for successful operation of any organization. It substantially contributes to the well-being of the employees, affects their feeling of belonging and work motivation.

## 10.8 KEY WORDS

- **Organizational culture:** It is a system of shared beliefs and attitudes that develop within an organization and guides the behaviour of its members.
- **Organizational climate:** The process of quantifying culture in an organization is called organizational climate.
- **Organizational structure:** It defines how activities such as task allocation, coordination, and supervision are directed toward the achievement of organizational aims.
- **Leadership:** It is the art of motivating a group of people to act toward achieving a common goal.

## 10.9 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. Write a short note on the significance of organizational culture.
2. How has the organizational culture responded to the changing global scenario?
3. What are the issues faced in organizational culture?
4. What are the determinants of organizational climate?

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**Long-Answer Questions**

1. 'Sustaining and maintaining culture is essential for the organization to make it a permanent source of energy.' Explain the statement.
2. Discuss the Ouchi Framework developed by William Ouchi with reference to organizational culture.
3. Explain the theories of organizational culture.

## 10.10 FURTHER READINGS

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# UNIT 11 ORGANIZATIONAL CONFLICTS

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**Structure**



## 11.0 INTRODUCTION

In the previous unit, you learnt about organizational culture and climate. In this unit, we will discuss organizational conflict. Conflict refers to a state of discord between two opposing groups. Sometimes, conflict within an organization is necessary as it can create changes and challenges within the organization. When handled carefully, conflict can be helpful and constructive and pave way for the organization to thrive. The unit will discuss the definition, stages and causes of conflict. It will also discuss the measures to stimulate conflict.

## 11.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the types and causes of organizational conflict
- Describe the different stages of conflict
- Understand the necessity and positive outcomes of conflict

## 11.2 DEFINITIONS

The concept of conflict, being an outcome of behaviours, is an integral part of human life. Wherever there is interaction, there is conflict. Conflict can be defined in many ways and can be considered as an expression of hostility, negative attitudes,

antagonism, aggression, rivalry and misunderstanding. It is also associated with situations that involve contradictory or irreconcilable interests between two opposing groups. It can be defined as a disagreement between two or more individuals or groups, with each individual or group trying to gain acceptance of its view or objectives over others.

Conflict must be distinguished from competition, even though sometimes intense competition leads to conflict. Competition is directed towards obtaining a goal and one group does not interfere with the efforts of another group. On the other hand, conflict is directed against another group and actions are taken to frustrate the other group's actions towards goal achievement.

**Constructive and Destructive Conflict**

Since conflict has both positive and negative connotations and consequences, it must be looked into and managed for useful purposes. The management must survey the situation to decide whether to stimulate conflict or to resolve it. Thomas and Schmidt have reported that managers spend up to twenty per cent of their time in dealing with conflict situations. Hence, it is very important that managers understand the type of conflict that they have to deal with so that they can devise some standardised techniques in dealing with common characteristics of conflicts in each type of category. There are five basic types of conflicts. These are:

***Conflict within the individual:*** The conflict within the individual is usually value related, where the role playing expected of the individual does not conform to the values and beliefs held by the individual. For example, a secretary may have to lie on instructions that her boss is not in the office to avoid an unwanted visitor or an unwanted telephone call. This may cause a conflict within the mind of the secretary who may have developed an ethic of telling the truth. Similarly, many Indians who are vegetarians and visit America and find it very hard to remain vegetarians, may question the necessity of the vegetarian philosophy, thus causing a conflict in their minds.

In addition to these value conflicts, a person may have a role conflict. For example, a telephone operator may be advised and required to be polite to the customers by her supervisor who may also complain that she is spending too much time with her customers. This would cause a role conflict in her mind. Similarly, a policeman may be invited to his brother's wedding where he may find that some guests are using drugs which is against the law. It may cause conflict in his mind as to whether he should play the role of a brother or a policeman. Conflict within an individual can also arise when a person has to choose between two equally desirable alternatives or between two equally undesirable goals.

***Interpersonal conflict:*** Interpersonal conflict involves conflict between two or more individuals and is probably the most common and most recognised conflict. This may involve conflict between two managers who are competing for limited capital and manpower resources. For example, interpersonal conflicts can develop when there are three equally deserving professors and they are all up for

promotion, but only one of them can be promoted because of budget and positional constraints. This conflict can become further acute when the scarce resources cannot be shared and must be obtained.

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Another type of interpersonal conflict can relate to disagreements over goals and objectives of the organization. For example, some members of a board of a school may want to offer courses in sex education while others may find this proposal morally offensive. This can lead to conflict. Similarly, a college or a university may have a policy of quality education so that only top quality students are admitted while some members of the organizational board may propose 'open admissions' policy where all high schools graduates can be considered for admission. Such a situation can cause conflict among members of the governing board. In addition to conflicts over the nature and substance of goals and objectives, they can also arise over the means to reach these goals. For example, two marketing managers may argue as to which promotional methods would result in higher sales. These conflicts become highlighted when they are based upon opinions rather than facts. Facts are generally indisputable resulting in agreements. Opinions are highly personal and subjective and may provide for criticism and disagreements.

These conflicts are often the result of personality clashes. People with widely differing characteristics and attitudes are bound to have views and aims that are inconsistent with the views and aims of others.

***Conflict between the individual and the group:*** As we have discussed before, all formal groups as well as informal groups have established certain norms of behaviour and operational standards that all members are expected to adhere to. The individual may want to remain within the group for social needs but may disagree with the group methods. For example, in some restaurants, all tips are shared by all the waiters and waitresses. Some particular waitress who may be overly polite and efficient may feel that she deserves more, thus causing a conflict within the group. Similarly, if a group is going on strike for some reason, some members may not agree with these reasons or simply may not be able to afford to go on strike, thus causing conflict with the group.

This conflict may also be between the manager and a group of subordinates or between the leader and the followers. A manager may take a disciplinary action against a member of the group, causing conflict that may result in reduced productivity. 'Mutiny on the Bounty' is a classic example of rebellion of the crew of the ship against the leader, based upon the treatment the crew received. The conflict among the armed forces is taken so seriously that the army must obey their commander even if the command is wrong and in conflict with what others believe in.

***Intergroup conflict:*** An organization is an interlocking network of groups, departments, sections and work teams. These conflicts are not very personal in nature as they are due to factors inherent in the organizational structure. For example, there is an active and continuous conflict between the union and the management. One of the most common, unfortunate and highlighted conflict is between line and

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staff. The line managers may resent their dependence on staff for information and recommendations. The staff may resent their inability to directly implement their own decisions and recommendations. This interdependence causes conflict. These conflicts that are caused by task interdependencies require that the relationship between interdependent units be redefined, whenever the values of these interdependent factors change. Otherwise, these conflicts will become further pronounced.

These inter-unit conflicts can also be caused by inconsistent rewards and differing performance criteria for different units and groups. For example, salesmen who depend upon their commission as a reward for their efforts may promise their customers certain quantity of the product and delivery times that the manufacturing department may find impossible to meet, causing conflict between the two units.

Different functional groups within the organization may come into conflict with each other because of their different specific objectives. There are some fundamental differences among different units of the organization both in the structure and the process and thus each unit develops its own organizational sub-culture. These sub-cultures, according to Lawrence and Lorsch, differ in terms of: (a) goal orientation that can be highly specific for production but highly fluid for Research and Development, (b) time orientation that is short run for sales and long run for research, (c) formality of structure that is highly informal in research and highly formal in production and (d) supervisory style that may be more democratic in one area as compared to another.

A classic example of inter-unit conflict is between sales and production, as discussed earlier. The sales department is typically customer-oriented and wants to maintain high inventories for filling orders as they are received, which is a costly option as against the production department that is strongly concerned about cost effectiveness requiring as little inventory of finished product at hand as possible.

Similarly, inter-group conflict may arise between day shift workers and night shift workers who might blame each other for anything that goes wrong from missing tools to maintenance problems.

***Inter-organizational conflict:*** Conflict also occurs between organizations that in some way are dependent on each other. This conflict may be between buyer organizations and the supplier organizations about quantity, quality and delivery time of raw materials. Conflict may also be regarding other policy issues between unions and organizations employing their members, between government agencies that regulate certain organizations and the organizations that are affected by them. These conflicts must be adequately resolved or managed properly for the benefit of both types of organizations.

### 11.2.1 Causes of Conflict

The various types of conflict as discussed above have already been pointed out in the previous discussion. Basically, the causes of conflict fall into three distinct

categories. Accordingly, these causes can be restructured and placed into one of these categories. These categories deal with communicational, behavioural and structural aspects.

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**Communicational Aspects of Conflict**

Poor communication, though not reflecting substantive differences, can have powerful effect in causing conflict. Misunderstood or partial information during the process of communication can make a difference between the success and the failure of a task. Such failures for which the responsibility becomes difficult to trace can cause conflict between the sender of the communication and the receiver of the communication. Thus, the problems in the communication process – whether these problems relate to too much or too little communication, filtering of communication, semantic problems or noise–act to retard collaboration and stimulate misunderstanding. The filtering process occurs when information is passed through many levels or when it passes through many members. The amount of information is functional up to a point, beyond which it become a source of conflict. Semantic difficulties arise due to differences in backgrounds, differences in training, selective perception and inadequate information about others.

As an example, if a manager going on an extended vacation fails to communicate properly with his subordinates as to who would be doing what, he will find these jobs only partially done and the subordinates will be blaming each other for not completing the tasks. Accordingly, adequate, complete, and correctly understood communication is very important in orderly completion of tasks as it reduces the chances of a conflict.

**Behavioural Aspects of Conflict**

These conflicts arise out of human thoughts and feelings, emotions and attitudes, values and perceptions and reflect some basic traits of a personality. Thus, some people's values or perceptions of situations are particularly likely to generate conflict with others. For example, highly authoritarian and dogmatic people are more prone to antagonise co-workers by highlighting minor differences that might exist and may overreact and cause a conflict. This conflict may also be based on personal biases regarding religion, race or sex. Some men feel poorly about women workers. These conflicts are not about issues but about persons. Some families carry on enmity for generations.

The conflict can also arise due to differing viewpoints about various issues. For example, two vice-presidents may differ in their viewpoints regarding which strategic plan to implement. The value based conflicts arise due to different values that may be culturally based. For instance, one vice-president may want to retire some workers to save costs while another vice-president may have human sensitivity and support other methods of cutting costs. As another example, a professor may value freedom of teaching methods and a close supervision of his teaching technique is likely to induce conflict.

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From an organizational behaviour point of view, there is conflict between the goals of the formal organization and the psychological growth of the individual. While the formal organization demands dependency, passivity and to some degree obedience from its members, the psychologically developed individuals exhibit independence, creativity and a desire to participate in decision making and decision implementing process. The needs of individuals and the formal organization being inconsistent with each other, result in behavioural conflict.

**Structural Aspects of Conflict**

These conflicts arise due to issues related to the structural design of the organization as a whole as well as its sub-units. Some of the structurally related factors are:

***Size of the organization:*** The larger the size of the organization, the more the basis for the existence of a conflict. It is likely that as the organization becomes larger, there is greater impersonal formality, less goals clarity, more supervisory levels and supervision and greater chance of information being diluted or distorted as it is passed along. All these factors are breeding grounds for conflict.

***Line-staff distinction:*** One of the frequently mentioned and continuous source of conflict is the distinction between the line and staff units within the organization. Line units are involved in operations that are directly related to the core activities of the organization. For example, the production department would be a line unit in a manufacturing organization and the sales department would be considered a line unit in a customer oriented service organization. Staff units are generally in an advisory capacity and support the line function. Examples of staff departments are legal department, public relations, personnel and research and development.

Some of the sources of conflict between line and staff are:

- Since the staff generally advises and the line decides and acts, the staff often feels powerless.
- Staff employees may simply be resented because of their specialized knowledge and expertise.
- Occasionally, staff employees are impatient with the conservative and slow manner in which line managers put the staff ideas to work. Also, line managers may resist an idea because they did not think of it in the first place, which hurts their ego.
- Staff has generally easier access to top management which is resented by the line management.
- Staff is generally younger and more educated and did not go through the run of the mill and hence their ideas may be considered more theoretical and academic than practical.
- There is a conflict about the degree of importance between the line and staff as far as the contribution towards the growth of the company is concerned.

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- The line usually complains that if things go right then the staff takes the credit and if things go wrong, then the line gets the blame for it.
- Generally, the staff people think in terms of long-range issues while the line people are more involved with short-term or day-today concerns. These differing time horizons can become a source of conflict.

***Participation:*** It is assumed that if the subordinates are not allowed to participate in the decision making process then they will show resentment which will induce conflict. On the other hand, if the subordinates are provided with greater participation opportunities, the level of conflict also tends to be higher. This may be due to the fact that increased participation leads to a greater awareness of individual differences. This conflict is further enhanced when individuals tend to enforce their points of view on others.

***Role ambiguity:*** A role reflects a set of activities associated with a certain position in the organization. If these work activities are ill defined, then the person who is carrying out these activities will not perform as others expect him to. This is because his role is not clearly defined. This will create conflict, especially between this individual and those people who depend upon his activities. A hospital or a medical clinic employing a number of physicians with overlapping specialties might cause conflict due to role ambiguity. Such conflicts can be reduced by redefining and clarifying roles and their interdependencies.

***Design of work-flow:*** These are primarily inter-group problems and conflicts that are outcomes of poorly designed work-flow structure and poorly planned coordination requirements, especially where tasks are interdependent. According to Sashkin and Morris, "organizations are made up of many different groups that must work together towards the accomplishment of common objectives." For example, in a hospital, the doctors and nurses must work together and their tasks are highly interdependent. If they do not coordinate their activities well, then there will be confusion and conflict. Similarly, in a restaurant, the cook and the waiter depend upon each other for critical information. Uncoordinated activities between the cook and the waiter would create conflicts and problems.

***Scarcity of resources:*** When individuals and units must share such resources as capital, facilities, staff assistance and so on, and these resources are scarce and there is high competition for them, then conflict can become quite intense. This is especially true in declining organizations, where resources become scarcer due to cutback in personnel and services. The concerned units become highly competitive for the shrinking pool, thus creating hostility among groups who may have put up a peaceful front at the time of abundance. For example, two research scientists who do not get along very well, may not show their hostility until a reduction in laboratory space provokes each to protect his area.

**Check Your Progress**

1. Differentiate between competition and conflict.
2. List the three categories for the causes of conflict.
3. List two sources of conflict between line units and staff units.
4. How does the ambiguity of roles create conflict?

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## 11.3 DIFFERENT STAGES OF CONFLICT

Various stages of a conflict show how conflict arises, grows and unravels among individuals or groups in an organization. Varied interest or values can engender conflict. The five stages of conflict are given below:

- **Latent Stage:** This is the first stage of conflict, wherein people involved in the conflict are unaware that there is a conflict. For example, there might have been a delay in submission of a project to a client and the manager might be unaware of this. This can lead to a situation where the participants are unaware of a conflict brewing.
- **Perceived Stage:** In this stage, the people involved in the conflict become aware of the conflict. For example, the manager would have discovered that there was a delay in submission of the project and talked to the employee about it.
- **Felt Stage:** During this stage, one or more participants experience stress and anxiety due to the conflict.
- **Manifest Stage:** The 'felt stage' leads to the 'manifest stage' in which conflict can be observed. This stage can take a number of shapes including e-mails, phone calls, phone messages, face-to-face meetings, or any situation in which the conflict could be observed.
- **Aftermath Stage:** This is the final stage in which some outcome of the conflict, such as a resolution or dissolution of the problem is arrived at.

## 11.4 CONFLICT AND PERFORMANCE AND MEASURES TO STIMULATE CONFLICTS

It has been pointed out earlier that under certain circumstances, conflict is necessary and desirable in order to create changes and challenges within the organization. In such situations, the management would adopt a policy of conflict stimulation so that it encourages involvement and innovation. How does the manager recognise a

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situation that is vulnerable to conflict stimulation? Too much satisfaction with the status quo, low rate of employee turnover, shortage of new ideas, strong resistance to change, friendly relations taking precedence over organizational goals and excessive efforts at avoiding conflict are some of the factors responsible for creating conflict. Some of the ways of stimulating conflict as suggested by S.P. Robbins are:

**Appoint managers who support change:** Some highly authoritative managers are very conservative in their outlook and tend to suppress opposing viewpoints. Accordingly, change-oriented managers should be selected and placed in such positions that encourage innovation and change from the status quo.

**Encourage competition:** If managed properly, competition can enhance conflict which would be beneficial to the organization. Such competition can be created by tying incentives to the performance, recognising efforts, giving bonuses for higher performance and enhancing status. Such competition and conflict would result in new ideas regarding improving productivity.

**Manipulate scarcity:** Let the various individuals and groups compete for scarce resources. This would cause conflict and make the individuals and groups do their best in order to fully utilise such resources. For example, one company president felt that the budget allocations to various departments did not reflect the changing priorities. Accordingly, a zero-based budget system was introduced so that each department justified its current budget regardless of the past allocations. This created fierce competition and conflict and resulted in changes in funds allocation that were beneficial to the organization.

**Play on status differences:** Sometimes, ignoring the senior staff members and giving visible responsibilities to junior members makes the senior staff work harder to prove that they are better than the junior staff members. In one business school, the dean appointed a low-status assistant professor in charge of the curriculum. The senior professors resented having to answer to the junior professor. This caused conflict and in order to assert their superiority, the full professors initiated a series of changes that revitalised the entire MBA programme.

**Interpersonal Trust Building**

While there are a number of behavioural as well as organizational factors, as discussed before, that contribute to the existence of conflict, there may be just one single factor that may be highly contributory to reducing that conflict. This factor is 'trust'. Trust is a highly intangible but a very important element in our civilized living. Its presence or absence can govern our inter-personal behaviour to a large extent. Our ability to trust has a great impact on our working lives, our family interactions and our achievement of personal and organizational goals.

Since trust is a function of behaviour, behaviours that lead to defensiveness must be identified and modified. These defensive or aggressive behaviours create a climate that is conducive to mistrust, thus leading to conflict in interpersonal

areas. Jack Gibb has identified certain behaviours that he calls 'aggressive' behaviours that should be avoided. He has also identified certain behaviours which he calls 'supportive' behaviours that tend to reduce defensiveness and conflict and should be promoted.

Dr. John K. Stout of the University of Scranton suggests in his book *Supervisory Management* (February 1984) that these behaviours are not necessarily mutually exclusive. He further states that not all aggressive behaviours need to be avoided under all circumstances, but in general the attitude of supportive behaviour should be adopted as much as possible.

### 11.4.1 Conflict and Performance

The earlier traditional view of conflict considered it harmful, destructive and unnecessary. This view was consistent with the attitude that prevailed about group behaviour and interaction during the 1930s and 1940s. The existence of a conflict was regarded as a sign that something had gone wrong and it needed to be corrected. The view held that conflict is to be avoided at all costs. Both the scientific management approach and the administrative school of management relied heavily on developing such organizational structures that would specify tasks, rules, regulations, procedures and authority relationships so that if a conflict developed, the built-in rules and regulations would identify and correct problems of such conflict. It was believed that the existence of a conflict reflected poor management and the deliberate efforts of trouble makers. Thus, through proper management techniques and attention to the causes of conflict, it could be eliminated and organizational performance could be improved. The Human Relations School subscribed to a similar theory that conflict is avoidable by creating an environment of goodwill and trust. Since organizational conflict involves disagreements on such factors as allocation of resources, nature of goals and objectives, organizational policies and procedures, nature of assignments and distribution of rewards, this conflict at its worst can lead to unnecessary stress, blockage in communication, lack of cooperation and increased sense of distrust and suspicion. This results in reduced organizational effectiveness. Accordingly, management has always been concerned with avoiding conflict if possible and resolving it as soon as possible if it occurs.

However, management scholars have shifted their view of conflict in recent years. This new approach is known as behavioural view and it proposes that because people differ in their attitudes, values and goals, conflict is a natural outcome and it can be helpful and constructive if it is handled properly. The more modern view of conflict holds that conflict may in fact, under certain situations, be necessary for performance effectiveness, because harmonious, peaceful and cooperative groups can become static and such level of conflict that keeps the group alive, self-critical and creative is desirable. Management is usually encouraged to maintain such level of conflict. This is especially true in organizations such as Research and Development, advertising agencies, public policy groups and so on.

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### 11.4.2 Conflict Outcomes

Some of the positive consequences of conflict are as follows:

- **It helps in analytical thinking:** Conflict may induce challenge to such views, opinions, rules, policies, goals and plans that would require a critical analysis in order to justify it or make required changes. In the words of H.M. Carlisle, 'no situation is more detrimental to an organization than letting poor decisions go unchallenged.'
- **It helps in increased cohesion:** Conflict between different organizations develops loyalty and cohesion within an organization. It develops a greater sense of group identity in order to compete with outsiders. It fosters dedication and commitment to organizational and group goals.
- **Conflict promotes competition and hence it results in increased efforts:** Some individuals are highly motivated by conflict and severe competition. For example, a professor who is turned down for a promotion due to conflict within the division may work harder to prove that he is more capable and deserves a promotion. Similarly, if a group of production workers during the day shift finds out that the similar group at night shift produced more, it would result in the improved performance for the day shift as well. Therefore, such conflicts and competition leads to high level of effort and output.
- **It serves as a foundation for organizational development:** Conflict with the status quo is a pre-requisite to change. Creative and innovative people are always looking for grounds to challenge the status quo. These challenges lead to search for alternatives to existing patterns that leads to organizational change and development.
- **Conflict when expressed can clear the air and reduce tension:** Some disagreements, if unexpressed, can lead to imaginative distortions of truth, sense of frustration and tension, high mental exaggerations and biased opinions, resulting in fear and distrust. However, when it is expressed, it may show the cause of conflict to be a minor one resulting in cooperation and compromise.

**Check Your Progress**

5. What is the role of trust building in reducing conflict?
6. What are the recent views of management scholars regarding conflict?

## 11.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

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1. Competition is directed towards obtaining a goal and one group does not interfere with the efforts of another group while conflict is directed against another group and actions are taken to frustrate the other group's actions towards goal achievement.
2. The causes of conflict fall into three distinct categories. Accordingly, these causes can be restructured and placed into one of these categories. These categories deal with communicational, behavioural and structural aspects.
3. Some of the sources of conflict between line and staff are:
   - Since the staff generally advises and the line decides and acts, the staff often feels powerless.
   - Staff employees may simply be resented because of their specialized knowledge and expertise.
4. Ambiguity of roles leads to a situation where work activities are ill-defined. In such situations, the person carrying out the activities will not perform as others expect him to. This can lead to conflict, especially between the individual and the people who depend on his activities.
5. Trust building is a highly intangible element that can play a significant role in reducing conflict. Its presence or absence can govern our inter-personal behaviour to a large extent. While a number of behavioural as well as organizational factors lead to conflict, trust plays a role in reducing it. The ability to trust has a great impact on the achievement of personal and organizational goals.
6. The opinion of management scholars regarding conflict has changed drastically in recent years. The new approach looks at conflict as a natural outcome and considers it helpful and constructive. It is believed that conflict might be necessary for performance effectiveness.

## 11.6 SUMMARY

- The concept of conflict, being an outcome of behaviours, is an integral part of human life.
- Since conflict has both positive and negative connotations and consequences, it must be looked into and managed for useful purposes.
- Interpersonal conflict involves conflict between two or more individuals and is probably the most common and most recognised conflict.

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- An organization is an interlocking network of groups, departments, sections and work teams. These conflicts are not so much personal in nature, as they are due to factors inherent in the organizational structure.
- Conflict is necessary and desirable in order to create changes and challenges within the organization. In such situations the management would adopt a policy of conflict stimulation so that it encourages involvement and innovation.
- While there are a number of behavioural as well as organizational factors that contribute to the existence of conflict, there may be just one single factor that may be highly contributory to reducing that conflict. This factor is 'trust'.
- Conflict between different organizations develops loyalty and cohesion within an organization and it develops a greater sense of group identity in order to compete with outsiders.
- Some disagreements if unexpressed, can lead to imaginative distortions of truth, sense of frustration and tension, high mental exaggerations and biased opinions resulting in fear and distrust. However, when it is expressed, it may show the cause of conflict to be a minor one resulting in cooperation and compromise.

## 11.7 KEY WORDS

- **Antagonism:** It means opposition of a conflicting force, tendency, or principle.
- **Aggression:** It means feelings of anger or antipathy resulting in hostile or violent behaviour; readiness to attack or confront.
- **Trust:** It means firm belief in the reliability, truth, or ability of someone or something.

## 11.8 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. List the various types of conflicts.
2. Write a short-note on interpersonal conflict.
3. What are the various stages of conflict?
4. What are the positive consequences of conflict?

**Long-Answer Questions**

1. Examine the causes of conflict in organizations.

2. Discuss the ways of stimulating conflict.
3. Examine the relationship between conflict and performance.

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## 11.9 FURTHER READINGS


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# UNIT 12 CAREER PLANNING

NOTES

**Structure**



## 12.0 INTRODUCTION

In the previous unit, you learnt about organizational conflicts. In this unit, the discussion will turn towards career planning. A career plan is an individual's choice of occupation, organization and career path. It encourages employees to explore and gather information, which enables them to synthesize, gain competencies, make decisions, set objectives and take action. The unit will discuss the meaning of career planning, the process of career planning, as well as its limitations.

## 12.1 OBJECTIVES

After going through this unit, you will be able to:

- Define career planning
- Describe the process of career planning
- Examine the advantages and limitations of career planning

## 12.2 MEANING, NEED AND CHARACTERISTICS

Career planning is a managed process of dialogue between each manager and the organization about career prospects, aspiration, skills, and development needs (Burgoyne and Germain 1984). This can occur in the form of a cyclical process comprising performance reviews, identification of career potential, and determination of learning needs for each and every employee in the organization. It is essential to have this review on a timely basis, either annually or semi-annually. In case these processes are linked with corporate policy, it would be easier to

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review the managerial career in light of changing organization or corporate direction, and corporate directions can be managed on the basis of available information on skills, aspirations, potential, and the vision of the management teams in organization. The process of career planning can aid an organization in trying to identify the future qualified and talented personnel, increase the involvement of the key employees, and improve the match between the individual and organization needs and wants (Granrose and Portwood 1987).

Williams (1984) contends that it is important to understand that career planning is not just meant for managers and professional, but should be applicable to clerical and part-time employees too. There are leaner and flatter organizations which do not provide enough promotional opportunities to employees in terms of upward or onward movement. In such cases, organization will have to provide with an inbuilt advancement with increased emphasis on career development in terms of job rotation, lateral moves, or temporary exchanges with other organization. If this is not paid attention, competent and talented employees will start looking for opportunities outside the organization.

### Career Plateaus

Herriot and Pemberton (1995) found that in organizations where there are fewer opportunities available for promotions, employees are likely to experience career plateau. There are four different categories of employees who will experience career plateau in different ways:

1. **Career fixers:** These employees are capable of doing wide variety of jobs without any desire for upward hierarchical movement. The requirement is that the job should be attractive enough to retain their interest. They are usually younger in age and have spent less time in work organizations.
2. **Ambitions careerist:** These are the younger ambitious lots who have very high expectations of getting promotion and moving to a higher rung in the organization at the earliest possible opportunity. They are confident that they will never become redundant.
3. **Career disengagers:** Their level of engagement with career is low and they are looking forward to retirement or part-time work. They generally belong to the group of older employees who have lost interest in the job and are looking forward to a retired and comfortable life.
4. **Career lifers:** These managers believe their career to be their life and decide to stay with the organization as long as possible. They tend be older and are convinced that promotion are a thing of past.

Another observation is that managers of present age are reaching plateaus much earlier, at the age of 30–40 years, as compared to their counterpoint in 1980s.

## Career Planning Categories

Career planning can be categorized predominantly into five ways (Morgan, Hall & Martier 1999). These are as follows:

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1. **Career pathing:** Career pathing is a process which helps an individual move towards a higher level position within the organization. The person may be required to take up additional assignment or overseas projects in order to gain an understanding of overseas operation. Many organizations provide flexibility and give opportunities to employees to move laterally or vertically (Di Prete 1987) so as to enhance their skills and capabilities.
2. **Career counselling:** Career counselling is a process which helps an employee to explore alternative modes of finding solution to problems related to career. The aim is to help the person take responsibility for actions. The person responsible for career counselling should be sympathetic, genuine, non-judgmental, and be able to create an atmosphere of trust and confidence. The counsellor should have an aptitude for good listening, clarifying issues, reflecting, summarizing, and offering guidance.

   Career counselling provides the employees with an ability to understand the opportunities and constraints in career development (Nathem and Hill 1992). Van Manner and Schien (1977) list the issues that could be explored in a counselling session between the client and the counsellor:

   - Career goals, aspirations and expectations
   - Opportunities available within the organization
   - Self-development of employee in order to shoulder additional responsibilities
   - Identification of new assignment to help employee grow
3. **Human resource planning:** The process of human resource planning deals with forecasting the human resource needs, creating charts to show succession plan, developing a record of skills and abilities of employees within the company.
4. **Career information system:** Employees in an organization need to be kept informed about the career information. The vacancies in the organization should be advertised internally on notice boards and through newsletter, etc. Senior managers can use leaflets, videos, talks, and discussions to pass on the career information to the staff. This would help to generate awareness among employees and keep them motivated.
5. **Special programmes:** Some special types of programmes to help employees disengage from the organization can be formalized. Pre-retirement programmes and outplacement programmes can help persons who are leaving the organization to maintain their self-dignity and self-worth. Various programmes to help employees change their career direction from technical

to managerial ones or to help the minorities or women to solve their problems special programmes can be designed (Bowen & Hisrich 1986).

**Need for Career Planning**

It is important to plan for one's career as it gives one much needed direction and makes it clear where an individual sees oneself in the future. It makes an individual aware of his strength and weaknesses and the skills and knowledge that are needed to achieve his objectives in future. A large proportion of an employee's life is spent in achieving career goals; thus, it is very vital to make sure that right steps are taken and correct planning is done in the early years of an individual's life. As a majority of us are not sure what we want from life and so it is very important to plan out things. Therefore, career planning is what gives one true meaning and purpose.

## 12.3 PROCESS OF CAREER PLANNING

To plan one's career well and succeed in that, an individual needs to plan one's career carefully. It is important, therefore, for him to know himself well and understand one's priorities and interests. An individual needs to introspect before planning one's career. For this, there are certain prerequisites that are essential before he plunges into a career. These are as follows:

- **Get to know yourself:** The first step in the process of planning one's career is to realize and understand one's goals, values, and aspirations. One has to clearly understand what defines success and happiness for him. The definition may vary from person to person. But basically success is the ability to achieve one's objectives, whatever they are and happiness is feeling satisfied with one's situation. Career planning is a subset of life planning which involves making choices between various aspects of one's life and work (career being one of them). The other aspects may include family, money, societal concerns, spirituality, social life, health, recreation, and many more. Effective career planning will entail achieving a perfect balance between work and other aspects of life.

  One way of getting to know oneself is by answering the question, 'Where have I come from?' This will require a lot of introspection as to write about yourself freely without any obstruction. Do not focus on whether you are writing 'right' or 'wrong' things. After finishing the review, analyse your results to known areas that seem the most and the least important to you. Also identify your major values in life and rank them in the order of importance. This exercise will help you identify some of your aspirations and interests. Another way to answer these questions is to write your autobiography (Clawson 1992).
- **Determine your interest:** It is assumed that by the time an individual is pursuing his/ her graduation degree, there is enough clarity about what

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occupation or profession he/she wants to pursue amongst the cluster of Jobs (Holland 1973). Different inventories also could be utilized for identifying one's area of interest in different occupation.

- **Know your skills:** It is also important to know your skills to understand what one can give to the job. Make a list of skills that you possess currently in order of their strength and keep on adding to this list as you learn more skills or further enhance the existing skills.

The process of knowing and developing your skills is based on continuous training and experience. One not only needs to develop skills for the current job but also for the future jobs in anticipation, if possible.

The steps in the career planning process are as follows:

1. To appraise one's self
2. Identify opportunities
3. Set goal
4. Prepare plans, and
5. Implement plans.

Let us examine each of these steps.

**Self-appraisal**

As discussed earlier, knowledge about oneself in terms of one's skills, interests, and value system will help an individual decide on one's career effectively. A good introductory exercise in this area would be to ask the individual to write his obituary as he would like it to appear x years hence upon death. The individual is asked to write down what he would like others to remember him by. What did he always want to do but never found time or opportunity to do? What are his life and career concerns?

Another exercise to assist in self-analysis requires the person to identify his or her strengths and weaknesses in regards to technical, interpersonal, communications, administrative and personal skills. He is then asked to indicate the degree of importance he attaches to such jobs' characteristics as autonomy, security, affiliation with others, financial rewards, and influence over others. Next he is asked to describe jobs he has held that are most and least rewarding. Finally, he is asked to describe his ideal next job.

Another means of finding out information about oneself is to take attitude and vocational interest tests. These are administered by career counselling centres at school and colleges.

**Identify Opportunities**

One's skills, interests, and values should be related to career opportunities. Although some would argue that there is always room for one better person in a deciding

occupation, those choosing this course of action ought to recognize they will have a 'tough row to hoe'. This course is like trying to swim upstream. It is a good idea to study trends in the economy, population demographics, technology, and public policy because these shape the future job market.

The HR office should publish information regarding jobs within the organization. This can take the form of organization chart, lists of titles, and actual description of jobs classified according to pay level, department and location. The HR office should also publish the requisite qualification for each of these jobs. Job openings, as they occur, can be announced through bulletin boards, notices, interoffice announcements, and through advertising media like newspapers, televisions, etc. Many technical and professional societies publish information about career in their specialties.

**Set Goals**

After the individual has appraised personal strength, weaknesses, interests, and values and after obtaining knowledge of job trends and opportunities, career goals can be properly established. This will require the setting of short-term, intermediate, and long-term goals. Goals that lead to growth should be challenging so that the individual gains new skills and outlooks. The goals should be consistent with one's capabilities and compatible with one's self-image.

**Prepare Plans**

In thinking through the measures, one will need to take precautions to meet one's goals. It is also advisable to consult with one's supervisor and with the responsible member of the personal department. Plans may be made for any of various actions designed to achieve the career goals. Reasonably, one ought to start with feasible, short-term, on-the job learning experiences and useful of-the-job training activities. As success is achieved on the early activities, bigger and longer run developmental projects can be tackled. The planning should take into account the special needs of the person such as skills and experiences required to reach the various goals.

**Implement Plans**

For implementation of one's plans, it is most desirable that the organizational climate be supportive. This means that top-level management must encourage all echelons of management to help their subordinates develop their careers. Actions to implement the plans may include special project assignments, temporary job transfers, filling in for the boss's vacation, in-service training classes, self-study reading assignments, assignment to a special task force, and evening classes in an area college.

## 12.4 EVALUATION OF CAREER PLANNING: ADVANTAGES AND LIMITATIONS

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Leibowitz and Schlossberg (1981) and Williams (1984) have outlined different benefits of career planning process which have been discussed below:

- Helps employees develop a realistic expectations of their present work and future in their organization
- Generates awareness about the opportunities available within the organization and possible constraints
- Clarifies supervisor's role in career counselling
- Develops greater senses of personal responsibility for career planning and development
- Helps to have a clearer understanding of one's values, interests, and abilities
- Helps to develop better ability to resolve job-career-family issues

Organization is also benefited as it is able to make better use of employees' capabilities. Employees' performance is also improved and the turnover rate gets reduced.

**Drawbacks of Career planning**

An ineffective career planning may result in certain dysfunctional outcomes among employees leading to high anxiety and frustrations (Moorhead and Griffin 1998). Some of the limitations of career planning are as follows:

- Supervisors may spend a lot of time counselling their subordinates.
- There may be too much of overload in the personal system.

The end result could be increased frustration, disappointment, reduced commitment, increase in employee turnover, and complacency in individual and organization performance.

**Check Your Progress**

1. Who are career fixers?
2. State two limitations of career planning process.
3. What is career pathing?
4. Who are career disengagers?

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## 12.5 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. Career fixers are employees capable of doing wide variety of jobs without any desire for upward hierarchical movement. The requirement is that the job should be attractive enough to retain their interest. They are usually younger in age and have spent less time in work organizations.
2. Some of the limitations of career planning are as follows:
   - Supervisors may spend a lot of time counselling their subordinates;
   - There may be too much of overload in the personal system.
3. Career pathing is a process which enables an employee to move towards a higher level position within the organization. The employee may be required to take up additional assignment or overseas projects in order to gain an understanding of overseas operation.
4. Career disengagers are employees whose level of engagement with career is low and they are looking forward to retirement or part-time work. They generally belong to the group of older employees who have lost interest in the job and are looking forward to a retired and comfortable life.

## 12.6 SUMMARY

- Career planning is a managed process of dialogue between each manager and the organization about career prospects, aspiration, skills, and development needs.
- Career planning is not just meant for managers and professional, but is should be applicable to clerical and part-time employees too.
- In organizations where there are fewer opportunities available for promotions, employees are likely to experience career plateau.
- The process of human resource planning deals with forecasting the human resource needs, creating charts to show succession plan, developing a record of skills and abilities of employees within the company.
- It is important to plan for one's career as it gives one much needed direction and makes it clear there where an individual sees oneself in future.
- To plan one's career well and succeed in that, an individual needs to plan one's career carefully. It is important, therefore, for him to know himself well and understand one's priorities and interests.
- Career planning helps employees develop a realistic expectations of their present work and future in their organization.

- An ineffective career planning may result in certain dysfunctional outcomes among employees leading to high anxiety and frustrations.

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## 12.7 KEY WORDS

- **Career Planning:** It is an individual's lifelong process of establishing personal career.
- **Promotion:** It is the action of promoting someone or something to a higher position or rank or the fact of being so promoted.
- **Career Counselling:** It is a process which helps an employee to explore alternative modes of finding solution to problems related to career.

## 12.8 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short-Answer Questions**

1. What is career pathing?
2. Why is career planning needed?
3. What are the different types of employees that experience career plateaus?

**Long-Answer Questions**

1. Discuss the benefits of career planning.
2. Examine the steps in the career planning process.

## 12.9 FURTHER READINGS

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BLOCK - V
EMOTIONS AND POWER POLITICS IN ORGANISATION

NOTES

# UNIT 13 EMOTIONAL INTELLIGENCE

**Structure**



## 13.0 INTRODUCTION

In the previous unit, you learnt about career planning. This unit will introduce you to the idea of emotional intelligence. Emotional Intelligence (EI) is a debatable topic among business leaders and HR professionals. EI has been discussed extensively in the last decade. It is largely used to denote terms such as soft skills, people skills and a general ability to cope with the challenges of life. The unit will discuss the meaning and types of emotions, as well as the advantages and dimensions of emotional intelligence.

## 13.1 OBJECTIVES

After going through this unit, you will be able to:

- Discuss the meaning and types of emotions
- Explain the dimensions of emotional intelligence
- Describe the advantages and limitations of emotional intelligence

## 13.2 EMOTIONS: MEANING AND TYPES

Etymologically, the word 'emotion' is derived from the Latin word *emovere* which means to stir up, to agitate or to excite. RS Woodworth (1945), by making use of

this explanation, has defined emotion in this way: 'Emotion is a moved or stirred up state of an organism. It is a stirred up state of feeling, that is, the way it appears to the individual himself. It is a disturbed muscular and glandular activity—that is the way it appears to an external observer'.

According to Crow and Crow (1973), an emotion 'is an effective experience that accompanies generalized inner adjustment and mental and psychological stirred up states in the individual, and that shows itself in his own behaviour'.

William McDougall (1949) says, 'An instinct is an inherited or innate psycho-physical disposition which determines its possessor to perceive and to pay attention to, objects of a certain class, to experience an emotional excitement of a particular quality upon perceiving such an object, and to act in regard to it in a particular manner, or, at least, to experience an impulse to such an action'. This statement gives us the nature of emotions as well. According to McDougall, an instinctive behaviour has three aspects:

(i) Cognitive or knowing or the perceptual aspect.

(ii) Affection or feeling or emotional effects.

(iii) Conative or doing or striving or executive, active or the behavioural aspect.

Let us take an example. A child sees a bull coming towards him. He experiences an instinctive fear and undergoes the above three processes. Firstly, he perceives the bull, secondly he experiences an emotion of fear and thirdly he tries to run away. It is, therefore concluded that an emotion is an affective experience that one undergoes during an instinctive excitement.

McDougall discovered 14 basic instincts and pointed out that each and every emotion, whatever may be, is the product of some instinctive behaviour.

The instincts with their associated emotions are listed alphabetically as under:

| *No.* | *Instinct Emotion* | *Accompanying an Instinct* |
|---|---|---|
| 1. | Acquisition | Feeling of ownership |
| 2. | Appeal | Distress |
| 3. | Construction | Feeling of creativeness |
| 4. | Curiosity | Wonder |
| 5. | Flight or Escape | Fear |
| 6. | Food seeking | Appetite |
| 7. | Gregariousness | Feeling of loneliness |
| 8. | Laughter | Amusement |
| 9. | Parental | Tenderness, Love |
| 10. | Pugnacity or Combat | Anger |
| 11. | Repulsion | Disgust |
| 12. | Self-assertion | Positive feeling or elation |
| 13. | Sex, Mating | Lust |
| 14. | Submission | Negative feeling |

Kimball Young notes, 'Emotion is the aroused psychological state of the organism marked by increased bodily activity and strong feelings directed to some subject'.

**Chief Characteristics of Emotions**

There are several characteristics associated with humans and emotions. Some of these important ones are given below:

1. Emotional experiences are associated with some instincts or biological drives.
2. Emotions, in general, are the product of perception.
3. The core of an emotion is a feeling which is essentially linked with some sort of urge or impulsive act to do. There is only a difference of degree between feeling and emotion.
4. Every emotional experience involves several physical and psychological changes in the organism. Some of these changes, like bulge of the eyes, flush of the face, flow of tears, pulse rate, are easily observable. Also, there are internal physiological changes like circulation of blood, impact on the digestive system and changes in the functioning of some glands.
5. Emotions are frequent.
6. Emotions are expressed in relation to concrete objects or situations.
7. Emotions are temporary.
8. Emotional expressions in early childhood are intense irrespective of the intensity of the stimulus.
9. Small children fail to hide their emotions and express them indirectly through different activities like crying, nail-biting, thumb-sucking and speech difficulties.
10. Emotions are prevalent in every living organism.
11. Emotions are present at all stages of development and can be aroused in young as well as in old people.
12. Emotions differ from person to person.
13. The same emotion can be aroused by a number of different stimuli—objects or situations.
14. Emotions rise abruptly but die slowly.
15. Emotions are subject to displacement. The anger aroused on account of one stimuli gets transferred to other situations. The anger caused by the rebuking of the officer to his subordinate may be transferred in beating of his children at home.
16. One emotion may give rise to a number of likewise emotions.

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### Effects of Emotions on the Developing Individual

Given below are the important effects of emotions on the developing individual:

1. Emotions provide energy to an individual to face a particular situation.
2. Emotions work as motivators of our behaviour.
3. Emotions influence our adjustment in the society.
4. Highly emotional conditions disturb the mental equilibrium of an individual.
5. Highly emotional conditions disturb the reasoning and thinking of an individual.

### Inter-relation of Physical and Emotional Factors

There is a close relationship between the physical and emotional factors. An imbalance or disturbance in the child's physical growth will most likely be reflected in his intellectual functioning and personality adjustment. An unhealthy emotional climate is likely to affect the physical health of the child and it may hinder his normal physical growth. A child under emotional strain is likely to be physically unhealthy and show signs of physical ailments. This relationship is illustrated in Fig. 13.1.

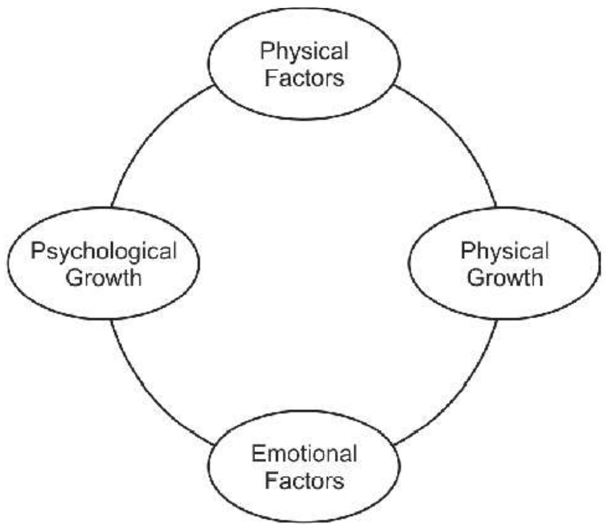



***Fig. 13.1*** *Inter-relation of Physical and Emotional Development*

### Kinds of Emotions: Positive and Negative

Emotions, in general can be categorized into two kinds—positive emotions and negative emotions. Emotions like affection (love), amusement, curiosity, happiness and joy which are very helpful and essential to the normal behaviour are termed as positive emotions.

Unpleasant emotions like anger, fear and jealousy which are harmful to the individual's development are termed as negative emotions.

It should be borne in mind that it is not to be assumed that all the positive emotions are always good and the negative emotions are bad. Excess of anything can be harmful. Whether an emotion will prove to be helpful or harmful to an individual depends upon the following factors:

(i) The frequency and intensity of the emotional experience.

(ii) The situation, occasion and the nature of stimulus which arouses the emotion.

(iii) The kind of emotional experience.

Emotions with too much intensity and frequency whether positive or negative bring forth harmful effects.

### 13.2.1 Managing Emotions

Emotional development of an individual is influenced by a number of factors—health and physical development, intelligence, family environment, school environment, peer groups' environment, neighbourhood, community and society's environment.

1. **Health and physical development of an individual:** There is a positive correlation between health and physical development and emotional development. Any deficiency in health and physical development, be it internal or external, leads to emotional disturbance. Children who are weak in structure or who suffer occasional illness are more emotionally upset and unstable than children whose health is better. Any abnormal increase or decrease in the normal functioning of the glands creates obstacles in the proper emotional development.
2. **Intelligence and emotional development:** H Meltzer (1937) as quoted by E B Hurlock observed, 'There is less emotional control, on the average, among those of the lower intellectual level than among children of the same group who are bright'. An intelligent person, with his thinking and reasoning powers, is in a better position to exercise control over his emotions.
3. **Family environment and emotional development:** A cordial environment, i.e., healthy relationships between the parents is very conducive to the emotional development of the child. The treatment meted out to the child by the parents and other members of the family influences his emotional development. The order of birth (whether the first or the younger child), sex (son or daughter), size of the family, socio-economic status of the family, discipline in the family, the parental attitude towards the child (pampered, overprotected or neglected)—all are important factors in the emotional development of the child.
4. **School environment:** The attitude of the teachers, school discipline, academic facilities available, physical facilities, methods of teaching and co-curricular activities—all influence emotional development of children.

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5. **Peer group relations and emotional development:** The influence of the classmates and other members of the group affects emotional development.
6. **Neighbourhood, community and society's environment and emotional development:** A child lives in the society and he picks up so many traits of his emotional behaviour from his surroundings.

## 13.3 EMOTIONAL INTELLIGENCE: DIMENSIONS, ADVANTAGES AND LIMITATIONS

Recently, a growing group of psychologists has come to the conclusion that old concepts of I.Q. revolved around a narrow band of linguistic and mathematical skills and is most directly a predictor of success in the classroom but less so as life's paths diverged from academe. Psychologists like Sternberg and Salovey have taken a wider view of intelligence, trying to reinvent it in terms of what it takes to lead life successfully. Salovey subsumes Gardner's personal intelligences in his basic definition of emotional intelligence—"Emotional intelligence is the process of learning to understand our own emotions, learning to understand the emotions of others, gaining proficiency in positive emotional responses in oneself, and recognising and accepting the emotional responses of others." According to Goleman, emotional intelligence includes self-control, zeal, persistence, and the ability to motivate oneself. Emotional intelligence, once developed, can create the avenue for a productive, rewarding and fulfilling life. Peter Salovey has identified following the characteristics of emotional intelligence:

**(1) Self-Awareness**

Self-awareness is a key stone of emotional intelligence. It means recognising a feeling as it happens. The ability to monitor one's feelings from movement to movement is crucial to psychological insight and self-understanding whereas the inability to notice our true feelings leaves us at their mercy. Self-awareness has three important aspects:

(*a*) ***Physical self-awareness*** which includes all that is tangible such as one's looks, clothing, hairstyle, jewellery and what kind of home he/she lives in.

(*b*) ***Academic self-awareness*** relates to understanding how well one does with regard to academic achievement and concept understanding. When a student has very little academic success, his academic self-concept suffers. However, this low academic achiever is fully aware of his weaknesses and is functioning in a cognitively conscious state; he is more open to strategies to increase academic performance.

(*c*) ***Social self-awareness*** indicates how one relates to other people whether they are peers, co-workers, family members or strangers. Honesty with oneself and a cognizant effort to perceive feelings in others is the key to self-awareness.

People having greater certainty about their feelings are better masters of their lives. They are autonomous and are in good psychological health. According to Goleman (1997), we may be born with a predisposition toward optimism or pessimism, but our negative or positive outlook can be learned.

**(2) Managing Emotions**

It is concerned with handling feelings and is based on self-awareness. A life without emotions would be a dull wasteland, cut off and isolated from the richness of life itself. What is wanted is appropriate emotion, feeling proportionate to circumstance. People who have poor ability to manage their emotions are in constant distress, whereas those who excel in it can bounce back for more quickly from life's setbacks and upsets.

**(3) Motivating Oneself**

It means marshalling emotions for the attainment of a goal which is essential for paying attention, for self-motivation and mastery, and for creativity. Emotional self-control means delaying gratification and stifling impulsiveness; this underlies accomplishment of all sorts. Such people are highly productive and effective in whatever they undertake.

**(4) Recognising Emotions in Others**

Empathy is a fundamental 'people skill'. Empathy builds on self-awareness. The more open we are to our own emotions, the more skilled we will be in reaching feelings. The failure to register another's feelings is a major deficiency in emotional intelligence and a tragic failing in what it means to be human. People who are empathetic are more attuned to the subtle social signals that indicate what others feel, need or want. They are more successful in caring professions, teaching, sales and management.

**(5) Handling Relationships**

The art of relationships is, in large part, skill in managing emotions in others. These are the abilities that strengthen popularity, leadership and interpersonal effectiveness. People who excel in these skills do well in anything that relies on interacting smoothly with others; they are social stars.

From the perspective of emotional intelligence, having hope means that one will not be given into overwhelming anxiety, a defeatist attitude or depression in the face of difficult challenges or setbacks. Optimism is an attitude that prevents people against falling into apathy, hopelessness, or depression in the face of rough going. According to Seligman, optimism means how people explain to themselves their successes and failures. Optimistic people see failures as due to something that can be changed so that they can succeed next time, while pessimists take the blame for failure, ascribing it to some lasting characteristic they are helpless to change.

People who have high emotional intelligence are socially poised, outgoing and cheerful, not prone to fearfulness or worried ruminations. They have a notable

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capacity for commitment to people or causes for taking responsibility and for having an ethical outlook. They are sympathetic and caring in their relationships. Their emotional life is rich. They are comfortable with themselves, others and the social universe they live in.

### Implications of Emotional Intelligence on Managers

Emotional Intelligence (EQ) is primarily based upon intra-personal intelligence and involves a person's emotional and social skills and consists of the following five dimensions. Scholars are beginning to view these dimensions of emotional intelligence in a hierarchy, where self-awareness is the lowest level and social skill is the highest and most complex level. These dimensions are:

***Self-awareness:*** The person is in touch with his own feelings and has the desire and the capacity to understand other people's feelings.

***Self-regulation:*** This is the ability to control or redirect emotional extremes and other impulsive behaviours. For example, if you are angry at a client or a colleague, you control your emotions, keep calm and handle the situation professionally and later talk out the emotions with a co-worker or a friend. Self-regulation includes the ability to suspend judgement in order to think through the consequences of behaviour rather than acting on impulse.

***Self-motivation:*** The person is driven for achievement irrespective of the rewards associated with such achievement. The achievement itself is a reward for them. Even when they do not achieve their goals, they remain optimistic and have a positive attitude.

***Empathy:*** It is the ability to understand and be sensitive to the feelings, thoughts and situations of others.

***Social skill:*** This is the ability to manage emotions of other people. Social skill includes the ability to build networks of relationships and it requires other elements of emotional intelligence such as empathy and self-regulation.

### Use of EQ as a Managerial Tool

According to Deerlove, companies are putting more emphasis on the emotional dimension in evaluating leadership potential and focus on the importance of understanding relationships. It is said that leaders with high emotional intelligence tend to make personal connections with ease and are good at diffusing conflicting and explosive situations. Superior performance as a leader is a function of both the IQ and the EQ.

Many of the leaders have failed not because of low IQ but because of low EQ, even when they had high IQ. Now the US Air force and others are realizing that EQ is just as important as IQ in performing most responsible jobs. Most jobs do involve social interaction so employees do need some aspects of emotional intelligence to work effectively in social settings.

Daniel Goleman, is credited with his focus on importance of emotional intelligence as compared to intellect or technical skills. He believed that at senior

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levels, emotional intelligence rather than rational intelligence distinguishes the true leader. He concluded that human competencies such as self-awareness, self-discipline, persistence and empathy are of greater consequences than intellect as measured by IQ. In a business that is occupied with analysis of information, quantitative models, simulation and other cold analytical tools, emotional climate is more important for the success of the organization than previously recognised. Companies are re-evaluating the leadership characteristics they require for the future. Some companies talk about "inward journeys" and "know thyself" concepts. Emotional intelligence is a part of such re-evaluation.

**Improving Emotional Intelligence and EI performance in an Organization**

Emotional intelligence, in general, is associated with some inborn personality traits, such as extroversion, conscientiousness, emotional stability and openness to experience. It opens the debate whether EQ is inherited or whether it can be learned, just as there is an active debate about leadership characteristics. However, EQ can indeed be learnt to some extent. Just as many training organizations claim that IQ can be improved with proper care and mentoring, some companies have introduced seminars and training centres specifically for the purpose of improving EQ of executives. Unlike other professions and skills that can be learnt in the classroom setting or role playing, people do not develop emotional intelligence simply by learning about its dimensions. It requires personal coaching, patience, feedback and positive interaction. Emotional intelligence also increases with age and maturity.

Overall, emotional intelligence offers considerable potential and with the world in turmoil about diversity and differences in religion, race, gender and national origin, the importance of emotional intelligence is further exemplified.

As we have learnt before, EI is becoming increasingly important as it is considered to showcase better leadership skills, career success, team skills, and personal relations of the employee, thereby affecting their overall work at the organization.

**Limitations of Emotional Intelligence**

Some of the disadvantages of emotional intelligence are as follows:

- **Time:** Emotional intelligence cannot be learnt in a day. It takes time to develop the skills necessary to fully harness emotional intelligence.
- **Testing:** It's difficult to test for emotional intelligence. One of the main concerns with testing methods is the debate on whether emotional intelligence is based on a person's temperament and personality or a learned response developed through interpersonal skills and experiences.
- **Negative Views:** One drawback of emotional intelligence is that people may not take the importance of emotional intelligence seriously.
- **Misuse:** The knowledge of emotional intelligence can be used to manipulate others.

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**Check Your Progress**

1. What are the three aspects of instinctive behaviour?
2. What are the effects of emotions on a developing individual?
3. What are negative emotions?
4. Define emotional intelligence.
5. List two limitations of emotional intelligence.

## 13.4 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. An instinctive behaviour has three aspects:
   (i) Cognitive or knowing or the perceptual aspect.
   (ii) Affection or feeling or emotional effects.
   (iii) Conative or doing or striving or executive, active or the behavioural aspect
2. The effects of emotion on developing individual are as follows:
   - Emotions provide energy to an individual to face a particular situation.
   - Emotions work as motivators of our behaviour.
   - Emotions influence our adjustment in the society.
   - Highly emotional conditions disturb the mental equilibrium of an individual.
   - Highly emotional conditions disturb the reasoning and thinking of an individual.
3. Unpleasant emotions like anger, fear and jealousy which are harmful to the individual's development are termed as negative emotions.
4. According to Goleman, emotional intelligence includes self-control, zeal, persistence, and the ability to motivate oneself. Emotional intelligence, once developed, can create the avenue for a productive, rewarding and fulfilling life.
5. The limitations of emotional intelligence are as follows:
   - Time: Emotional intelligence cannot be learnt in a day. It takes time to develop the skills necessary to fully harness emotional intelligence.
   - Negative Views: One drawback of emotional intelligence is that people may not take the importance of emotional intelligence seriously.

## 13.5 SUMMARY



- Etymologically the word emotion is derived from the Latin word *emovere* which means to stir up, to agitate or to excite.
- According to Crow and Crow (1973), an emotion 'is an effective experience that accompanies generalized inner adjustment and mental and psychological stirred up states in the individual, and that shows itself in his own behaviour'.
- Emotions, in general can be categorized into two kinds—positive emotions and negative emotions.
- Emotional development of an individual is influenced by a number of factors—health and physical development, intelligence, family environment, school environment, peer groups' environment, neighbourhood, community and society's environment.
- The psychologist Salovey defines emotional intelligence as the process of learning to understand our own emotions, learning to understand the emotions of others, gaining proficiency in positive emotional responses in oneself, and recognizing and accepting the emotional responses of others.
- Self-awareness is a key stone of emotional intelligence. It means recognizing a feeling as it happens. The ability to monitor one's feelings from movement to movement is crucial to psychological insight and self-understanding whereas the inability to notice our true feelings leaves us at their mercy.
- Emotional intelligence is primarily based upon intra-personal intelligence and involves a person's emotional and social skills and consists of the following five dimensions.
- Emotional intelligence, in general, is associated with some inborn personality traits, such as extroversion, conscientiousness, emotional stability and openness to experience.

## 13.6 KEY WORDS

- **Emotional Development:** It refers to the ability to recognize, express, and manage feelings at different stages of life and to have empathy for the feelings of others.
- **Emotional Intelligence:** Emotional intelligence refers to the process of understanding one's own emotions as well as learning to comprehend the emotions of others. Along with this, the proficiency in positive emotional responses in oneself, and recognising and accepting the emotional responses of others is referred to as emotional intelligence.
- **Jealousy:** It means to be upset and angry because someone that you love seems interested in another person.

- **Self Awareness:** It is the capacity for introspection and the ability to recognize oneself as an individual separate from the environment and other individuals. It is not to be confused with consciousness in the sense of qualia.

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## 13.7 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short Answer Questions**

1. What are the traits of emotional intelligence?
2. What are the implications of emotional intelligence on managers?
3. How does emotional intelligence contribute in performing better in an organization?
4. Write a short note on emotional intelligence as a managerial tool.

**Long Answer Questions**

1 'Self-awareness is the key stone of emotional intelligence.' Explain the statement.

2. Discuss how to manage emotions.
3. Do you think that emotional intelligence is relevant in the present global scenario? Give reasons for your answer.

## 13.8 FURTHER READINGS

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# UNIT 14 POWER, POLITICS AND IMPRESSION MANAGEMENT

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**Structure**



## 14.0 INTRODUCTION

The previous unit discussed emotional intelligence. This unit will discuss organizational power, politics and impression management. There is a difference between power and authority as the latter is legitimate and approved by the organization. This unit will delve into the various sources of power in organizations. Further on, the unit will also discuss organizational politics and the factors affecting the political orientation of organizations. Organizational politics alludes to numerous activities associated with the use of influence tactics to enhance one's personal or organizational interests. Research studied conducted in this area have reflected that individuals with political skills are more adept in gaining personal power as well as in fulfilling job demand and in managing stress.

## 14.1 OBJECTIVES

After going through this unit, you will be able to:

- Understand the nature and characteristics of power
- Discuss the sources and types of power
- Define impression management
- Discuss the existence of political behaviour in organizations
- Understand organizational politics and the ethics of power and politics

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## 14.2 POWER, AUTHORITY AND INFLUENCE

Power and politics are the words that have negative connotations in the American society. We are uncomfortable with the concept of power. Our perception of power is that it manipulates people and this idea does not go well with us. It is meant to extract compliance and enforce obedience and this conflicts with our democratic culture of freedom and rights. Politics is closely related with power, for only powerful people can play politics and get away with it. Whenever we say 'there is a lot of politics in this college or organization' we mean that decisions are made on the basis of the point of view of the powerful rather than what is just and fair.

Power differs from authority as authority is the right of decision and command and it is legitimate. Further, authority is also approved by the organizational structure and is freely accepted by all. The legitimate use of authority and acceptance of it is designated as 'psychological contract'.

According to Henry L. Tosi, John R Rizzo and Stephen J Carroll, 'The psychological contract is the mutual set of expectations which exist between an organization and an individual. These expectations cover what pay the individual will receive as well as the whole pattern of rights and privileges of the person. In return, the individual is expected to contribute both work and some commitment.' Legitimate authority gives the person legitimate power and as long as the commands issued fall within the boundaries of psychological contract, the person will comply. These commands are not considered as use of power of two reasons. Firstly, it is because the person who issues the command is fully authorized to do so and secondly, the 'psychological contract' is based on mutual consent. It is the use of power outside the boundaries of 'psychological contract' is based on mutual consent. It is the use of power outside the boundaries of 'psychological contract', which is resented by people. It could also be called 'misuse of power'.

According to John K. Galbraith, power is defined as the 'possibility of imposing one's will on the behaviour of others'. The essence of power is control over the behaviour of others. Power is also a reflection of influence that one person may have over others. If you are able to convince another person to agree to your views or change his or her own opinion on a given issue, you have exercised influence over the other person and thus power has been used.

## 14.3 IMPRESSION MANAGEMENT

The desire to make a favourable impression on others is universal. In one way or another, we all do things to attempt to control how other people perceive us, often attempting to get them to think of us in the best light possible. Impression management refers to the process used by individuals to control the impression

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others form of them. Therefore, it would be a mistake to think that the person who is at the receiving end of being evaluated is passive and the only person active in the process is the perceiver. The employment interview is an organizational context in which this process is at work (Fletcher 1989).

The impression that prospective employers form may be based on subtle behaviours, such as how we dress and speak, or more elaborate acts, such as announcing our accomplishments (Giacalone and Rosenfeld 1989). It may be the result of calculated efforts to get others to think of us in a certain way or be the passive, unintended effects of our actions (Greenberg 1990). Impression management might involve direct attempts to make ourselves look better—through self-enhancing behaviour (such as improving one's appearance, and namedropping, claiming association with highly regarded others, as well as attempts to make others feel better about themselves) and other enhancing behaviour (such as by flattering them, and showing your approvals for the things they say) (Fiske and Neuberg 1990).

The things people do to create favourable impressions also have beneficial effects on their relationships with others. For example, it has been found that supervisors feel better towards those subordinates who are successful at cultivating positive impressions (such as by using self-enhancing and other enhancing tactics) than those who are less skilled at doing so. Not surprisingly, supervisors also enjoy friendlier and more open communication links with such individuals (Wayne and Kacmar 1991). Similarly, it has been found that subordinates who engage in impression management are more liked by their supervisors, and such liking, in turn, enhances the quality of social interaction between them (Wayne and Ferris 1990).

The target person could set out to generate a favourable impression through a variety of tactics. Some of these tactics, as identified by Rosenfeld, Giacalone and Riordan (1995) are as follows:

- Name-dropping—to create an impression that one is well connected and an expert as a means to support one's judgement
- Disclosing obstacles—to stress the real or imaginary barriers that one has removed in the past to bring about a successful outcome, as if to say that is what you would expect from an able performer
- Doing favours—to either appear to do something concrete to help the person one is trying to impress or appear to do so in order to receive a favourable evaluation
- Flattery—to convey nice things about the person one is trying to influence (e.g. the interviewer)
- Opinion conformity—to back the opinion or views of the person one is trying to impress so as to get her on your side

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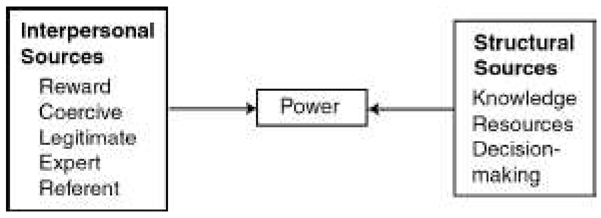
- Playing dumb—to give the impression that one cannot do certain tasks, in the hope that one can avoid them, thereby creating the space to do things one really likes
- Playing safe—to give the impression that one is not prone to making mistakes

It would be foolish to overestimate the power of impression management; eventually, the person lacking credibility may not be able to present the correct image all the time and is exposed. Others may lack the personality characteristics to project the right image. But it is suggested that if the target personality presentation of the self is in line with his self-concept, the perceivers (e.g. interviewers) could be convinced of the substance of the image projected (Swann and Ely 1984). Apparently, the way we see ourselves (self-perception) is crucial when arriving at a conclusion about what others think of us (Kenny and DePaulo 1993).

Impressions can also be made by organizations as a whole. The impression an organization makes on people can have a considerable effect on the way it relates to it in the context of job recruitment; not only do candidates want to make good impressions on prospective employees, but also want their job offer to be accepted by the best candidates.

## 14.4 SOURCE OF POWER IN ORGANIZATIONS

A person in an organizational setting can have power from two sources. These are interpersonal sources and organizationally based structural sources as shown below:




*Source:* *Based upon Don Hellriegel, John W. Slocum and Richard W. Woodman, "Organizational Behaviour", West Publishing, 1986, p.462.*

These sources are explained in further details as follows:

**Interpersonal Sources of Power**

These sources of power focus on the interpersonal relationships between manager and the subordinates. John R.P. French and Bertram Raven have identified five general types of power which are based upon interpersonal relationships. These are:

***Legitimate power***: This is the power that is vested in the leadership to take certain actions. For example, a manager's position in the organization gives him the power over his subordinates in his specific area of responsibility. The

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subordinates will favourably respond to a manager's directives because they recognize and acknowledge the manager's legitimate rights to prescribe certain behaviours expected of subordinates. Legitimate power is similar to formal authority so that it can be created, granted, changed or withdrawn by the formal organizations.

The structure of the organization also identifies the strength of the legitimate authority by position location. Higher level positions exercises more power than lower level positions in a classical hierarchical organizational structure. For highly mechanistic organizations, the legitimate power for each position is closely specified. In more democratic type of situations, the superiors and subordinates may be on equal footing.

Similarly, to some degree, legitimate power can also be given by society to a particular leader, who has been elected by the populace. For example, the president of a country or an elected mayor of a city has certain power and authority. This power may also be culturally specified. In many cultures, children simply 'obey' their parents. In some other cultures, people of certain castes are highly respected. In the tribes of Africa and Middle East, the tribal chiefs have traditionally enjoyed the power and authority over their people. In India, old age brings with it the power to command respect.

***Reward power:*** A second base of power is the extent to which one person has control over rewards that are valued by another. The greater the perceived values of such rewards, the greater the power. These rewards can be extrinsic in nature with tangible values. For example, if a manager has total control over the pay his subordinates get, their work assignment and their promotions, then the manager can be considered to have a high level of reward power. Similarly, the chairman of a division in a college or a university holds considerable power in reappointments, tenures and promotions for the faculty of his division.

Reward power can extend beyond extrinsic rewards. It may include such subjective and intrinsic rewards as praise and recognition. If the subordinate is interested in acceptance and recognition of his contributions and the manager can provide such rewards, then this serves as an additional form of reward power.

***Coercive power:*** On the other end of the reward power is the coercive power which is the ability to influence punishment. It reflects the extent to which a manager can deny desired rewards or administer punishment to control other people. The more sanctions a manger is able to bear upon others, the stronger is his coercive power. Some managers belittle the efforts of others in front of their peers and get away with it. To that degree, they possess the coercive power. The coercive power, which is the power to reprimand, demote or fire subordinates for unsatisfactory performance is seldom exercised because of the cost involved in the form of employee resentment and hostility.

***Expert power:*** It is more of a personal power rather than an organizational power. It is the ability to control another person's behaviour through the possession of knowledge and expertise that the other person needs and does not possess

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himself. For example, a subordinate will obey the superior simply because the subordinates believes that the superior 'knows' what is to be done and how it is to be done. Similarly, the computer experts who are designing a computer information system for a company will dictate the design and operations of the system and their expertise power will be accepted.

Similarly, we generally follow our doctor's or our accountant's advice and instructions because we believe in their ability and knowledge in those specified areas. Thus if the subordinates view their leaders as competent, they would follow their leaders.

***Referent power:*** It is also known as charismatic power and is based upon the attraction exerted by one individual over another. It is more of a personal nature rather than a positional nature in the sense that this power is not designated or acquired because of a position but because of personal 'charisma' so that the 'followers' feel inclined to associate themselves with the 'leaders'. The stronger the association, the stronger is the power. This association means that the subordinate would obey his superior because he wants to behave in the same manner as the superior and the subordinate identifies himself with the superior. This referent power also extends to film stars and celebrities whose followers and fans follow what the celebrities do.

**Structural and Situational Sources of Power**

The five bases of power that we have discussed relate to interpersonal power that the managers have over their subordinates. In addition, there is another dimension of power. This dimension involves structural and situational sources within the organization and includes knowledge as power, resources as power, decision making as power and link with others as power.

***Knowledge as power***: All organization use information to operate. Thus individuals or groups who possess knowledge critical to the attainment of organizational goals and objectives have power. The correct utilization of information is very important for effective organizational operations. Accordingly, people who are in a position to control the information itself or the flow of information about current operations or future events and plans have enormous power to influence the behaviour of others.

***Resources as powers***: Resources are the backbone of organizations. They simply cannot survive without the adequate availability of all the necessary resources. These resources include capital, personnel, equipment, raw materials, customers and so on. Any person who can provide resources that are critical to the organization acquires such power. Thus, suppliers of monopolized scarce raw materials can dictate their own prices. The old saying that 'he who has the gold makes the rules' sums up the idea that resources are power.

***Decision making as power:*** The authority to make decisions or the ability to influence the decision makers are both sources of power. The decision making power does not necessarily rest with the final decision maker. Even though the

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decision makers act, the real power may be with those who strongly influence the decision maker. For example, when you buy a particular car on the advice of a friend, it is the friend who holds the power to buy the car, even if you acted upon it. Similarly, a task force formed to study an issue and give recommendations may not have the power to make the final decision, but the decision maker is more likely to be influenced by the task force recommendations. Thus, the task force holds the decision making power in a subtle way.

**Acquiring Power**

All managers have a two-dimensional power base. One is the power generated because of the position of the manager in the hierarchy of the organization and the second is the personal power. A successful manager is the one who has built up high positional as well as personal power base.

The position power can be built and enhanced by some of the factors proposed by David A. Whetten and Kim S. Cameron. These factors are as follows:

***Centrality***: Centrality refers to the activities that are most central to the work flow of the organization. If the information filters through the manager and gives the manager some say in the work of many work subunits, then the manager has acquired some positional power. For example, the manager of the accounting department or finance department is central in approving expenses and making payments of all departments in the firm, giving the manager an extra power base to affect the behaviour of other departments.

***Scarcity***: When resources are scarce but critical to organizational operations and there is a struggle for acquiring these resources, then the winner of the struggle acquires power. When unlimited resources are available in capital, space or support staff, there will hardly be any reason for spending energies in pursuit of power for such power would have no influence on the smooth functioning of the organization. It is only when cutbacks occur in these resources that the differences in power will become apparent. According to a study conducted in a large University, G.R Salanick and J. Pfeffer found that the power of academic departments was associated with their ability to obtain funds from research grants and other outside sources and this was more critical to their power than the number of undergraduates taught by the department.

***Uncertainty***: Uncertainty about future events can play havoc with strategic plans and other financial or product commitments of organizations. Some of the sources of uncertainty may reflect reduction in supply and demand resources, changes in government policies that affect organizational environment or economic recession. Such people or subunits who can predict such uncertainty or who are most capable of coping with uncertainty will tend to acquire power. According to R.M Kanter,

'The most power goes to those people in those functions that provide greater control over what the organizations find currently problematic: sales and marketing people when markets are competitive; production experts when materials are

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scarce and demand is high; personnel or labor relations specialists when labor is scarce; lawyers, lobbyists and external relations specialists when government regulations impinge; finance and accounting types when business is bad and money tight. There is a turning to those elements of the system that seem to have the power to create more certainty in the face of dependency, and to generate a more advantageous position for the organization.'

***Substitutability***: Even though in philosophical terms nobody is indispensable and 'life must go on', there are some people whose contributions to the organization make them more indispensable than others. This indispensability is the result of such specialty and expertise that cannot be substituted easily by others. However, a change in the marketability of such specialty may change the power base as well. According to D. Kipnis, 'In the 1950s, when there were relatively few engineers to service an expanding American economy, engineers had great prestige and power. They could force employers to provide them with large salaries and benefits, by threatening to withhold their services. By the early 1970s, however, many persons became engineers and consequently the bargaining power of engineers with employers was practically nil'. Similarly in the late 1960s and 1970s, the computer analysts were in great demand and thus wielded extensive power in the organizations. Thus, the greater the value of a person or a group in the organization, the greater power it holds.

**Check Your Progress**

1. What are general types of power on the basis of interpersonal relationship?
2. What is the criterion of utility?

## 14.5 ORGANIZATIONAL POLITICS

Politics has been defined by J. Pffeffer as 'those activities taken within organizations to acquire, develop and use power and other resources to obtain ones preferred outcomes in a situation in which there is uncertainty or dissensus about choices'. Pffeffer further notes:

> 'If power is a force, a store of potential influence through which events can be affected, politics involves those activities or behaviours through which power is developed and used in organizational settings. Power is a property of the system at rest; politics is the study of power in action. An individual, sub-unit or department may have power within an organizational context at some period of time; politics involves the exercises of power to get something accomplished, as well as those activities which are undertaken to expand the power already possessed or the scope over which it can be exercised.'

It is clear that political behaviour is designed and initiated to overcome opposition or resistance. If there is no opposition, there is no need for politics. Opposition and resistance is bound to occur in all organizations because of severe competition for scarce resources. In fact, R.H. Miles has identified five major reasons that have strong influence on political orientation of organizations. These are as follows:

***Scarcity of resources***: As discussed before, any person or subunit who has control over allocations of scarce resources yields power. Also, political influence plays an important part in how these resources will be distributed to various departments rather than rational needs.

***Non-programmed decisions***: Non-programmed decisions involve unique problems which cannot be solved by known and structured methods and procedures. These unique problems involve many factors and variables that are ambiguous in nature, leaving room for political manoeuvring by those who have the knowledge and techniques to successfully confront and solve such complex problems. Such non-programmed decision are likely to be made in the areas of strategic planning, merges and acquisitions, policy changes and so on.

***Ambiguous goals:*** When the goals of an organization are clearly defined and each member of the organization is aware of these goals and is also aware of his role in contributing towards achievement of such goals, then there are limited grounds for political influence. However, when the goals of a department or the entire organization are ambiguous, then more room is available for playing politics.

***Technology and environment:*** Organizational effectiveness is largely a function of the organization's ability to appropriately respond to external environment which is highly dynamic and generally unpredictable as well as the ability to adequately adapt to complex technological developments. Thus, political behaviour increases when the internal technology is complex and external environment is highly volatile.

***Organizational change:*** Whenever there are changes in the organizational structure or rearrangement of organization politics, people in powerful positions have the opportunity to play political games. These changes may include restructuring of a division or creating a new division, personnel changes, and introducing a new product line; these are all invitations to political processes when various individuals and groups try to control the given situation.

All the above reasons apply to most organizations because the resources are continuously becoming scarce and competitive and the ever changing technology makes the environment more complex to handle, requiring organizations to continuously evaluate their goals and strategies. This would make most organizations political in nature so that managers in responsible positions become sensitive to political processes and games in order to play their role in acquiring and maintaining political power.

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It is widely accepted that managers have to be politicians in order to maintain their positions in the organizational hierarchy as well as serve the interests of their units. Pfeffer, who has done extensive research on the subject of power in organizations, in reviewing his study states as follows:

'If there is one concluding message, it is that it is probably effective and it is certainly normal that these managers do behave as politicians. It is even better that some of them are quite effective at it. In situations in which technologies are uncertain, preferences are conflicting, perceptions are selective and biased and information processing capacities are constrained, the model of an effective politician may be an appropriate one for both the individual and for the organization in the long run.'

**Techniques of Political Play**

While all members of an organization may exhibit political behaviour, it is natural to assume that the higher the positional status of the member, the more intense the political play would be. Accordingly, a more successful political player is more likely to succeed in his personal and political ambitions than those who are politically naïve or incompetent.

Even though the political play style will vary with the situation at hand, there are certain guidelines which can be adopted to gain and use political power. Some of these guidelines and strategies that can be used are:

***Cultivate the right allies***: There is strength in number and more people you have on your side the more political power you will have. It is necessary, however, to have the alliance with the right people. Alliance with people who are rising up the corporate ladder is much more advantageous than alliance with those whose careers are on the decline. It is necessary and useful to be friends with upper level management and it may also be obviously advantageous to form alliance with the boss's secretary or someone who is close to the powerful person. In academic institutions where promotions and reappointments are primarily at the discretion of the divisional chairperson, a favourable association with the chairperson is highly beneficial.

***Count on reciprocity:*** As a general rule, it is good to help others and do favours for them. It should also be natural to assume that these favours will be returned at the time of need. Accordingly, recognize those members of the organization who will be more powerful in the future and help them in any way you can so that if and when you need them later they will return your favour by coming to your assistance.

***Try to be positively popular:*** Most people like to be appreciated and complemented. When you appreciate other people they will think very positively towards you. Do not talk ill of any person. Always talk good of others especially

when they are not present. This will create extensive goodwill about you and this will always come in useful whenever you would need their support.

***Learn to be persuasive without being arrogant:*** It is necessary to develop friendly persuasive techniques. Forceful arguments when stated eloquently are often highly effective in influencing others as well as gaining respect for your intelligence and ability. As a result, the payoffs can be substantial.

***Build your image:*** Image building is a subtle form of behaviour and a positive impression on others is reflected by our personality, appearance and style. Some of the factors that enhance a preferred image are being well dressed, having a pleasant smile, being attentive, honest, sociable and loyal to the organizational interests. In addition, always project an image of competence and self-assurance. Be on top of everything and work hard and be associated with successful projects.

***Control information***: One technique of political behaviour is to control the dissemination of critical information to others. Releasing good or bad news when it is likely to have its fullest impact can promote someone's self-interest and may thwart the hopes of others. The more critical the information and fewer the people who have it, the stronger the powerbase of those who possess such information. For example, if a manager comes to know that a subordinate would be reprimanded for some actions and if he informs the subordinate so that the subordinate can prepare an adequate and timely defense, then the manager has gained some power over the subordinate for future use.

***Control communication channels:*** People who may be in low level hierarchical positions but have some control over lines of communications can yield considerable political power. For example, secretaries frequently control access to their bosses. The secretary may have considerable power in deciding who sees the boss and who doesn't at a given time. She may use this power in favouring those whom she likes and frustrating those against whom she may have a grudge.

**Some Devious Political Tactics**

Politics is considered a dirty game as politicians would use any and all possible means, irrespective of their validity on ethical grounds, to obtain and retain their power base. While it is possible to acquire political strength through honest means such as expertise, seniority and integrity, there are other devious tactics which may be difficult to defend on moral grounds. Nevertheless, they are used extensively. Some of these techniques are as follows:

***Embrace or demolish:*** Sometimes it becomes necessary to make decisions and take actions that are unpopular such as demoting or transferring someone. Such a person who is demoted or transferred against his will, is likely to become your political enemy. It may be politically advantageous move to have this person

fired so that he will not be there to take revenge at a later date. This is especially significant during corporate takeovers. According to Anthony Jay,

'This guiding principle is that senior men in taken-over firms should either be warmly welcomed and encouraged or sacked, because if they are sacked they are powerless, whereas if they are simply downgraded they will remain united and resentful and determined to get their own power back.'

***Divide and Rule:*** If effective, this is the most successful and powerful tactic to retain political power. Historians have recorded the fact that the British ruled India by pursuing the policy of dividing the Indians on the basis of caste and religion. The assumption underlying this strategy is that those who are divided will not form coalitions themselves, thus making them weak in any confrontations. By encouraging bickering among possible rivals, it is possible to keep them continuously off balance so that they will never get together to mount a successful attack against you. However, it is a risky technique; if the rivals become aware of such devious schemes, they can get together for the sole purpose of unseating you from your power base.

***Exclude the opposition***: Another technique of getting your own way is to make sure that any opposition is absent at important meetings as such oppositions can block your desired outcomes. This could be done by holding such meetings at a time when rivals are away either on business trips or on vacation. With the opposition absent, it is possible to influence the decision making process in your favour. One historically significant incident relating to this technique occurred at the United Nations during the Korean War. In order to send U.N. troops to Korea, it was necessary to have a unanimous decision to do so at the Security Council. However, the representative from the Soviet Union was holding out and was vehemently against this resolution. By keeping the heated discussion on, and by frustrating the efforts of the Soviet Union representative, it was made possible for him to walk out in anger and protest. Thus, the opposition being absent, the resolution to send U.N. troops to Korea was passed.

**Political Blunders**

Political career is considered to be the most unstable and volatile career and some political mistakes can be very costly. Many brilliant political careers have been totally ruined by disclosures of such mistakes which were politically unwise. Since playing right politics is an important ingredient of corporate success, it is necessary to avoid some identifiable political mistakes that are known to have negative consequences. Some of these political blunders are:

***Sticking to the losing side***: While loyalty has its advantages, sticking with a person whose power is on the decline will result in decline of your power as well. Your survival instinct should guide you as to when to change side in order to gain maximum advantages. Moral and ethical considerations usually do not affect such decisions to defect to the winning side.

***Violating chain of command:*** Most organizations are highly structured in a classical fashion and the communication channels are clearly defined. It is expected that all personnel follow the established guidelines in relation to the flow of authority through these channels. Some people make the mistake of going over their bosses to their superiors for problems within their own department and even if such action has justifiable grounds, it is not considered wise to do so. These problems must be discussed with the immediate boss. Only if these problems are not solved at this level, should the higher ups be approached. Breaking chain of command is considered an organizational taboo and should be avoided as far as possible.

***Being temperamental:*** Since problems are unavoidable and not all problems have immediate solutions, keeping cool under pressure is highly desirable of successful politicians. Grace under pressure is indicative of courage and wisdom. Showing anger and acting aggressively towards others can be political suicide. Usually, anger is shown towards people rather than things or situations and in such anger it is more likely to make wrong moves or blame others. This could lead to creating rivals and rivals never help. These rivals could further create situations that would excite your anger and most people do not show respect to those who lose their temper.

***Creating conflict with top management:*** Top management is usually very sensitive to their authority and they are known to use their power in reprimanding those who disagree with their position or their authority to issue assignments. Saying no to top management or trying to avoid undertaking extra responsibility can be a costly mistake. If a person feels that he is being overburdened by excessive assignments he must discuss the matter with the top management to reach an understanding of such assignments rather than simply saying no, or deliberately avoiding such assignments or doing a poor job after accepting the assignment. For example, if a professor in a college is denied promotion, he should accept the decision and logically reason it out with the Dean and the President, unless he has a tenure with outstanding credentials, in which case he may be willing to confront the situation. By and large, however, confronting top management is a politically unwise step.

**Managing Political Behaviour**

Though it is virtually impossible to eliminate political behaviour in organizations, it is possible to contain it in such a manner as to limit its dysfunctional consequences. Politics when carried to the extreme can damage morale, create enemies, destroy loyalty, damper cooperative spirit and much time and energy is spent planning attacks and counter-attacks which are detrimental to organizational health. Accordingly, combating politics must be undertaken by the top management primarily by such guidelines that would limit political plays. Some of the steps that can be taken for purpose of constraining political activity are summarized as follows:

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***Positive role model***: It is said that corruption begins at the top; the lower level people will be corrupt and play politics only when such tactics are accepted or ignored by the top management. Thus if a manager plays political games, he is conveying a message to his subordinates that such conduct is acceptable. Accordingly, the top management must provide a positive and ethical role model themselves and make it clear to subordinates that such political manoeuvring will not be accepted which is detrimental to employee morale and organizational climate.

***Open communication:*** Since political behaviour is a function of control over resources, information and lines of communication, open and honest communication is an effective technique in constraining the effects of political behaviour. If the lines of communication are open to all and the necessary information is available to all including the information regarding the availability and allocation of scarce resources, then it would not be necessary to engage in political behaviour in order to acquire or control these resources.

***Reduce uncertainty***: Politics seems to be more prevalent when overall purposes and organizational goals are ambiguous, expectations of subordinates are not clear and organizational changes are not made known to all. These elements of uncertainty can provide grounds for political play. Thus, political behaviour can be limited if such uncertainty can be reduced or eliminated. This can be done by giving well-defined assignments to all employees and making it clear as to what the management's expectations of the employees are relative to the achievement of clearly defined organizational goals. Thus, participative decision making and making all relevant information known to all members of the organization at the appropriate time and helping them integrate their personal objectives with organizational objectives will reduce the necessity of political game play.

***Study the political phenomenon:*** It is important that top management be aware of the psychology and philosophy of political behaviour. Simply being aware of the causes and techniques of political behaviour can minimize their effects. This knowledge could prepare the top management not only in combating political behaviour when it occurs but also in anticipating it and taking appropriate steps to avoid it from occurring. For example, recognising certain members who could oppose such a change. By being aware of such possibility, the management can take steps to stop such a coalition from forming or take appropriate measures to successfully confront such a coalition, should it form.

**Machiavellianism**

Niccolo Machiavelli, an Italian philosopher and statesman (1469–1527), was one of the earliest writers, whose best known writings include a set of suggestions for obtaining and maintaining political power. He also compared political effectiveness with prevalent perceptions of morality and ethics. Based upon his writings, 'Machiavellianism' has come to be known as a set of beliefs about human nature, and a person's ability to use various tactics, irrespective of their moral value, in order to achieve his ambitions.

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R. Christie and F.L. Geis have tried to formulate an attitude scale in conformity with some basic tenets of Machiavelli's writings in order to measure the extent to which an individual follows Machiavelli's views. This attitude is known as 'Mach Scale'. The characteristics of people who are high on Mach Scale are as follows:

- They have high self-esteem and self-confidence and behave in their own self-interest even at the expense of others.
- They are considered by others as cool and calculating and they would not hesitate to take advantages of others.
- They tend to form alliances with people in power for the sole purpose of benefiting themselves.
- They believe that the end justify the means even if it involves lies, deceit and moral compromise.
- They manipulate others by false flatter and exaggerated praise and they will make friends only for the purpose of using them.
- They have a very unfavourable view of human nature. They believe that 'anyone who completely trusts anyone else is asking for trouble'.
- They will say what others want to hear but they will not let others stand in the way of their personal gain.
- They are on the look-out and select situations where their tactics would work most effectively such as face-to-face emotional, unstructured and ambiguous conditions.
- They are able to exert control over such unclear situations.

In general Machiavellian individuals are believed to engage in political behaviour more often. Machiavellianism may be good predictor of political behaviour in many organizational situations. A study conducted by Woodman, Wayne and Rubinsten concluded that of all the variables responsible for an individual's political behaviour, Machiavellianism was found to have the strongest effect on the political tendency of an organizational member. Accordingly, management must be aware of such individuals within the organization and be prepared to take responsible measures to counter any damaging initiatives by such individuals.

## 14.6 ETHICS OF POWER AND POLITICS

Power and authority used in the line of duty is not only ethical but is also accepted by all who are affected by it. Thus, such power is considered to be non-political in use when it remains within the boundaries of formal authority, organizational policies and procedures and when it is directed towards ends that are sanctioned by the organization. It is either the misuse of power for personal benefit or the power which violates the codes of organizational conduct that is considered as political

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and requiring consideration of ethical standards. Some of the factors that differentiate between political behaviour and non-political behaviour are enumerated by Joseph F. Byrnes in the form of True and False questions which are given below along with his interpretation of results.

| | | True | False |
|---|---|---|---|
| 1. | You should make others feel important through an open appreciation of their ideas and work. | | |
| 2. | Because people tend to judge you when they first meet you, always try to make a good first impression. | | |
| 3. | Try to let others do most of the talking, be sympathetic to their problems and resist telling people that they are totally wrong. | | |
| 4. | Praise the good traits of the people you meet and always give people an opportunity to save face if they are wrong or make a mistake. | | |
| 5. | Spreading false rumours, planting misleading information and backstabbing are necessary if somewhat unpleasant methods to deal with your enemies. | | |
| 6. | Sometimes it is necessary to make promises that you know you will not keep or cannot keep. | | |
| 7. | It is important to get along with everybody, even with those who are generally recognized as windbags, abrasive, or constant complainers. | | |
| 8. | It is vital to do favours for others so that you can call in these IOUs at times when they will do you the most good. | | |
| 9. | Be willing to compromise, particularly on issues that are minor to you, but important to others. | | |
| 10. | On controversial issues, it is important do delay or avoid your involvement if possible. | | |

**Interpretation**

(a) A real politician will answer 'True' to all ten questions.

(b) Politicians with fundamental ethical standards will answer 'False' to questions 5 and 6

(c) Non politicians will answer 'False' to all or most of the questions.

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As the above interpretation makes it clear, a real politician will answer 'True' to all questions and his code of ethics is evident from his answers to questions 5 and 6.

Ethics is probably the most difficult concept to define. The idea of morality or right and wrong is very intangible in nature. The concept of ethics and morality may have some identifiable aspects that can be considered as universally acceptable, but much of it may be defined with reference to the values established by a particular society. In general, determination of ethical conduct is subjective and vague, varying among different cultures and different environment conditions. However, some standards have been established against which ethical conduct can be measured for judgmental purposes. Velasquez, Moberg and Cavanagh have made extensive studies regarding ethics and politics and have provided a way of looking at possible political behaviours from an ethical perspective. They have presented three types of criteria for evaluating the ethics of organizational politics and in general all these criteria must be satisfied in order for political behaviour to be considered ethical. These criteria are:

***Criterion of utility:*** In this approach, the judgement about the morality of an act is made on the basis of the degree of happiness it provides to the society as a whole. Moral acts are those that produce the greatest good for the greatest number of people. The behaviour would be considered less than ethical if it does not result in the optimization of satisfaction of most people.

***Criterion of rights***: All human being have certain basic and fundamental rights that need to be protected and respected. The rights most likely to be violated by organizational politics are:

- *The right of free consent:* All people should be treated as they freely consent to be treated.
- *The right of privacy*: Every human being has a right to choose his own life style outside of working hours, including the right to deny access to information regarding his private life.
- *The right to freedom of conscience*: It is the right to refuse to carry out any instructions that violate a person's moral or ethical standards or religious beliefs to which he adheres.
- *The right to free speech:* It is the right to speak freely about any and all issues, including the right to criticize others regarding ethical, legal and righteous grounds as long as it does not infringe upon the rights of the others.
- *The right of due process*: Everyone has a right to have a fair hearing of any complaints or issues which violate a person's rights.

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***Criterion of justice***: All people have a right to be treated equally and equitably relative to their responsibilities and contributions. All administrative rules and regulations should be administrated fairly for all and no person should be subjected to arbitrary decisions and actions.

These criteria refer to an ideal state and is often difficult to apply because adequate and correct information of a given situation is not always available. Some of these criteria are sufficiently ambiguous so that a clear cut interpretation is not feasible. The criterion of rights is probably the most consistently usable. That is, perhaps one reason as to why unethical political behaviour works so often and people who use such behaviour can justify it by their own reasoning. According to Paul W. Gellerman, people use four rationalizations in order to justify unethical actions. These are:

1. Individuals feels that a particular behaviour is not really illegal and hence can be considered as moral.
2. The action was taken with a view of best interests of the organization.
3. It does not matter as long as the action is not objected.
4. It appears that action demonstrates loyalty to the superiors or to the organization.

All these rationalizations are weak and do not justify any action which may be legal but ethically questionable. Loyalty to moral principles is more important than loyalty to boss or the organizations. Accordingly, it must be clearly understood that while some political manoeuvrability is avoidable in any organizational climate, ethical considerations become very helpful to all individuals in the long run.

**Check Your Progress**

3. List any three characteristics of people who are high on the mach scale.
4. State the five factors influencing the political orientation of organizations.
5. Define Machiavellianism.

## 14.7 ANSWERS TO CHECK YOUR PROGRESS QUESTIONS

1. The general types of power on the basis of interpersonal relationship are: legitimate power, reward power, coercive power, expert power and referent power.

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2. Criterion of utility is the approach that involves making a judgement about the morality of an act on the basis of the degree of happiness it provides to the society as a whole.
3. The characteristics of people who are high on Mach Scale are as follows:
   - They have high self-esteem and self-confidence and behave in their own self-interest even at the expense of others.
   - They are considered by others as cool and calculating and they would not hesitate to take advantages of others.
   - They tend to form alliances with people in power for the sole purpose of benefiting themselves.
4. The five factors influencing the political orientation of organizations are scarcity of resources, non-programmed decisions, ambiguous goals, technology and environment, and organizational change.
5. Based on Niccolo Machiavelli's writings, 'Machiavellianism' has come to be known as a set of beliefs about human nature, and a person's ability to use various tactics, irrespective of their moral value, in order to achieve his ambitions.

## 14.8 SUMMARY

- The word 'power' and 'politics' has negative connotations as the general perception is that power is used to enforce obedience. Politics is closely related to power as only powerful people can play politics and get away with it.
- Power differs from authority as authority is the right of decision and command and it is legitimate. Further, authority is also approved by the organizational structure and is freely accepted by all. The legitimate use of authority and acceptance of it is designated as 'psychological contract'.
- With legitimate authority, individuals attain legitimate power. As long as the commands issued falls under the boundaries of psychological contract, the person will comply.
- Impression management refers to the process used by individuals to control the impression others form of them. The impression that prospective employers form may be based on subtle behaviours, such as how we dress and speak, or more elaborate acts, such as announcing our accomplishments.
- However, it is to be noted that one should not overestimate the power of impression management as the person lacking credibility may not be able to present the correct image all the time and will be exposed eventually.

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- A person in an organizational setting can have power from two sources. These are interpersonal sources and organizationally based structural sources.
- Interpersonal Sources of Power focus on the interpersonal relationships between manager and the subordinates. John R.P. French and Bertram Raven have identified five general types of power which are legitimate power, reward power, coercive power, expert power and referent power.
- In addition, there is another dimension of power which involves structural and situational sources within the organization and includes knowledge as power, resources as power, decision making as power and link with others as power.
- Politics has been defined by J. Pffeffer as 'those activities taken within organizations to acquire, develop and use power and other resources to obtain ones preferred outcomes in a situation in which there is uncertainty or dissensus about choices'.
- R.H. Miles has identified five major reasons that have strong influence on political orientation of organizations. These are scarcity of resources, Non-programmed decisions, ambiguous goals, technology and environment, and organizational change.
- There are other devious tactics that are used to acquire political strength which may be difficult to defend on moral grounds. Nevertheless, they are used extensively.
- Political career is considered to be the most unstable and volatile career and some political mistakes can be very costly. Sticking to the losing side, violating chain of command, being temperamental, and creating conflict with top management are some of them.
- It is impossible to totally eliminate political behaviour in organizations. However, one can limit its dysfunctional consequences. Politics when carried to the extreme can damage morale, create enemies, destroy loyalty, damper cooperative spirit and much time and energy is spent planning attacks and counter-attacks which are detrimental to organizational health.
- Niccolo Machiavelli's writings inspired the concept of 'Machiavellianism' which refers to the set of beliefs about human nature, and a person's ability to use various tactics, irrespective of their moral value, in order to achieve his ambitions.
- Machiavellian individuals are believed to partake in political behaviour more frequently.

- Loyalty to moral principles is more important than loyalty to boss or the organizations. Accordingly, it must be clearly understood that while some political manoeuvrability is avoidable in any organizational climate, ethical considerations become very helpful to all individuals in the long run.

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## 14.9 KEY WORDS

- **Psychological Contract:** Psychological contract is a mutual set of expectations which exist between an organization and an individual.
- **Legitimate Power:** Legitimate power is the power vested in the leadership to take certain actions.
- **Impression Management:** Impression management refers to the process used by individuals to control the impression others form of them. The impression that prospective employers form may be based on subtle behaviours, such as how we dress and speak, or more elaborate acts, such as announcing our accomplishments.

## 14.10 SELF ASSESSMENT QUESTIONS AND EXERCISES

**Short Answer Questions**

1. What are the structural and situational sources of power?
2. What is referent power?
3. What do you mean by impression management?
4. What are some of the political blunders that one needs to avoid?

**Long Answer Questions**

1. Discuss the sources of power.
2. Examine the tactics to generate a favourable opinion.
3. Explain how one can overcome the negative impact of organizational conflicts.
4. Discuss in detail the ethics of power and politics.

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## 14.11 FURTHER READINGS

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